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Daily Report

East Asia

FBIS-EAS-93-054
Tuesday
23 March 1993

Daily Report

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FBIS-EAS-93-054

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Japan

Discussion of Russian Aid Issue Continues

Russia Seeks Over \$20 Billion

OW2303041093 Tokyo KYODO in English 0354 GMT
23 Mar 93

[Text] Washington, March 22 KYODO—Russia has asked the Group of Seven (G-7) industrial nations for more than 20 billion U.S. dollars in financial assistance for its economic stabilization and inflation control programs, international financial sources said Monday.

They said the request was made by Russian Deputy Prime Minister Boris Fedorov at a meeting of G-7 deputies held in Hong Kong March 12 to 14.

The aid sought by Russia would include 6 billion dollars to stabilize its ruble currency and 7 billion dollars to restructure its industries, the sources said.

With the aid, Russia seeks to reduce its monthly inflation rate to 5 percent by the end of the year from the current 25 percent through tighter credit and fiscal restraints, they said. The G-7 comprises Britain, Canada, France, Germany, Italy, Japan, and the United States.

Kono, Watanabe, Mori Comment

OW2303045693 Tokyo NHK General Television
Network in Japanese 0300 GMT 23 Mar 93

[From the "NHK News" program]

[Text] Speaking at a news conference held after the cabinet meeting this morning, Chief Cabinet Secretary Kono touched on the issue of holding an emergency summit meeting of seven industrialized nations on the issue of aid to Russia and said that the government will take a decision on it soon as a host nation of the summit meeting. In this way, he indicated an intention to hasten to coordinate the schedule with the aim of holding the emergency summit meeting at an early date.

Speaking at a news conference, Foreign Minister Watanabe indicated that Japan for its part will support Yeltsin's reform line. At the same time, referring to aid to Russia, he said: Japan for its part hopes to further continue to provide aid to Russia but the aid should be designed to promote Russia's self-help efforts.

Moreover, Minister Mori of the Ministry of International Trade and Industry indicated his view that Japan for its part needs to hammer out additional measures to help Russia, saying: It is important to take a flexible, moving attitude depending on future developments if it is determined that additional measures will lead to the promotion of democratization and market economy in Russia.

Mori Favors 'Flexible' Moves

OW2303041493 Tokyo KYODO in English 0359 GMT
23 Mar 93

[Text] Tokyo, March 23 KYODO—International Trade and Industry Minister Yoshiro Mori on Tuesday expressed support for Russian President Boris Yeltsin's reforms toward democracy and market economy.

"I hope President Yeltsin's line for democracy and market economy can continue winning support from the Russian people," Mori said in a news conference. "If Yeltsin loses political power, I will support an administration that follows the same line," he said.

Mori also showed concern about the possible revival of communism, saying that a return to conservative and communist power amid the political turmoil "goes against the global trend toward democracy and liberalism."

Regarding specific assistance to Russia, Mori called for flexible moves such as emergency aid, while supporting the nation's basic policy not to separate politics from economics. "Personally, I think it might be helpful to offer aid quite freely," Mori said.

Hanabusa: Russia Should Tally Aid

OW2303120793 Tokyo KYODO in English 1130 GMT
23 Mar 93

[Text] Tokyo, March 23 KYODO—Russia should publicize how much assistance it has received from which countries, thus exonerating Japan from accusations of "foot-dragging," a Foreign Ministry spokesman said Tuesday. "I think it is the responsibility of the Russian government to do so and I think a great deal of good would come out of such an exercise," spokesman Masamichi Hanabusa told foreign correspondents.

Hanabusa said a "credible tally" of foreign aid so far received "would eliminate the very widespread perception that (Japan) is dragging its feet." The spokesman estimated Japan has disbursed some 700-800 million dollars in assistance to Russia in support of the reforms being implemented by embattled President Boris Yeltsin.

Hanabusa also offered a personal view implying that Japanese think that if Yeltsin lost power, it would make little difference to Moscow's policy toward Japan. The general feeling in Japan, he said, in comparison to the Soviet leadership that preceded Yeltsin, is "what has changed under the new situation?" "Japanese have some difficulty in perceiving what will change" if the situation is reversed, he said, hastening to add, "this is not a government view."

Hanabusa said talk about Japan linking aid to Russia to return of four Japan-claimed islands seized by Soviet troops at the end of World War II is "in part, a myth." "It is not true that because of the territorial issue we have withheld assistance to the Russian Federation," he said. "We have extended substantial assistance."

He took issue with recently reported remarks by an aide to Prime Minister Kiichi Miyazawa, who had said Japan is "in a dilemma because while we want to do something (to assist Russia), we still have the islands dispute."

"On the contrary, the Russian federation is in a dilemma because while not addressing this territorial issue, they are seeking assistance," the spokesman said. He contested allegations Japan has been slow to implement over 2.8 billion dollars in pledged assistance to Russia.

"We have sincerely been pushing, through the Russians, to implement our pledges," he said. "But we have encountered substantial difficulties."

Hanabusa said the implementation of loan agreements has been substantially delayed because Moscow was late in sending letters of guarantee, while few Russians have taken advantage of credit facilities created by Japan. He said transactions between Japanese and Russian companies that could draw upon export guarantees the government has availed have not taken place.

Uncertainty Changes Miyazawa's Plans

*OW2303123893 Tokyo KYODO in English 1213 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—The prospects of an emergency summit on Russian aid in April have upset Prime Minister Kiichi Miyazawa's planned overseas travel schedule, government officials said Tuesday. In case the Group of Seven (G-7) major industrial countries decide to hold such a meeting ahead of the annual July 7-9 Tokyo economic summit, the prime minister will cancel a planned trip to Europe and may visit Australia and New Zealand instead, the officials said.

The three-nation European tour to Britain, France, and Italy at the end of April had been scheduled for preparatory summit talks, which could likewise be held during the emergency summit in Tokyo, they said. Furthermore, current developments in Europe such as Sunday's election defeat of France's ruling Socialist Party and an escalating corruption scandal in Italy have made the trip "less desirable," the officials said.

Miyazawa would instead travel to Australia and New Zealand, as he has not visited either country since assuming the premiership in 1991. No Japanese premier has visited Australia or New Zealand since 1988.

As host of the upcoming economic summit, Miyazawa originally intended to meet all his G-7 counterparts prior to the July gathering. The G-7 groups Japan, Britain, Canada, France, Germany, Italy, and the United States. Miyazawa and German Chancellor Helmut Kohl met recently during Kohl's Tokyo-visit at the end of February.

The prime minister is scheduled to meet U.S. President Bill Clinton during a trip to the U.S. from April 15-18.

According to officials, the most likely date for an emergency G-7 summit would be during "Golden Week," a row of public holidays starting at the end of April.

While France, Germany, and the U.S. have repeatedly called for an emergency meeting to demonstrate support for beleaguered Russian President Boris Yeltsin, Tokyo so far has been reluctant to agree to the meeting.

A meeting of foreign and finance ministers from G-7 nations, however, will be held in Tokyo on April 13-14 to discuss emergency aid for Russia, a senior official of the ruling Liberal Democratic Party said Tuesday. The ministerial meeting was earlier expected to be held in Tokyo after Miyazawa's visit to Washington.

'Specific Support' Said Necessary

*OW2303055393 Tokyo KYODO in English 0538 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—Japan may move up the planned date for a cabinet-level meeting among the world's seven major economic powers to discuss emergency aid to Russia, government sources said Tuesday. The meeting of foreign and finance ministers from the Group of Seven (G-7) nations would be held sometime before Prime Minister Kiichi Miyazawa visits the United States in mid-April, the sources said.

As host of the planned G-7 ministerial, Japan had initially suggested the meeting be held in the fourth week of April, shortly after Miyazawa returns from an April 16 summit meeting in Washington with U.S. President Bill Clinton, Foreign Ministry sources said.

Talks to negotiate a date for the G-7 meeting, however, showed that it would be difficult for some G-7 member countries to attend the meeting. The G-7 groups Britain, Canada, France, Germany, Italy, Japan and the United States.

Tokyo favors advancing the ministerial-level meeting because it can not reschedule Miyazawa's U.S. trip, the government sources said.

It also considers it necessary to give specific support to Russian President Boris Yeltsin as early as possible in the wake of heightening tensions following his declaration of emergency rule last Saturday, the sources said.

Japan will rearrange the schedule after studying the reports of Vice Foreign Minister Hisashi Owada, who is scheduled to return home Friday from his trip to the U.S. and Europe, they said.

Japan will reschedule the date considering other slated events, such as the U.S.-Russia summit talks on April 3 to 4, and Tokyo's plans to announce an additional pump-priming package to help spur the sagging economy on April 13, the Foreign Ministry sources said.

Official: Tokyo Consulting U.S.

*OW2203235793 Tokyo KYODO in English 2339 GMT
22 Mar 93*

[By Jocelyn Ford]

[Text] Tokyo, March 23 KYODO—After struggling to bring a 48-year-long territorial dispute with Moscow into the international limelight, some Japanese Government officials fear their recent victories may be backfiring. Officials and analysts say the widely held view Japan is cautious toward Russia because of the dispute over four islands threatens to aggravate friction with its vital trade partners at a time when Japan can ill afford it due to its record trade surpluses.

In the past week, both Germany and France have publicly criticized Japan for dithering over assistance they hope will help Russian President Boris Yeltsin.

"The notion that Japan is reluctant on aid to Russia has become a fixed image," said an aide to Prime Minister Kiichi Miyazawa. "We are in a dilemma because while we want to do something, we still have the islands dispute, and, besides that, Russia is not capable of processing aid," he said, noting it is uncertain whether pledges of money will have the desired effect.

Japanese officials argue that while Tokyo is holding back on bilateral aid pending a resolution to the territorial issue, it is not reluctant to give multilateral aid. At last year's Munich summit of the Group of Seven (G-7) major economic powers, Japan contributed its full share to the 24 billion dollar aid package.

While some of that aid has been held up by bureaucratic snafus in Russia, other countries have also faced similar difficulties, a Finance Ministry official said.

The official attributed the European leaders' acrimonious complaints about Japan's attitude to their "desire for Japan to pay more."

The aide to Miyazawa said Japan has been closely consulting with the United States on support for Yeltsin. But government officials are wary that U.S. President Bill Clinton may make a pledge on Japan's behalf during a planned April 3-4 summit with Yeltsin in Vancouver, Canada, without first obtaining Tokyo's consent.

Nevertheless, as Miyazawa maneuvers to arrange G-7 support for Russia in advance of July's Tokyo economic summit, he must remain mindful of Liberal Democratic Party hard-liners, who chafe at the thought of dishing out aid to a fallen but still haughty Russia.

Yeltsin's sudden cancellation of a visit to Japan last September and subsequent railing about Tokyo's "stubbornness" over the islands has left a bitter aftertaste in Japan. The abrupt no-show decision came two months after Miyazawa returned to Japan from the Munich economic summit flushed with having won moral support for a solution to the dispute in summit statements.

One senior Foreign Ministry official bemoaned, "if Yeltsin had only said something conciliatory about the islands, it would have been easier to talk about aid now."

Japan wants Russia to recognize its sovereignty over the islands off Hokkaido, the recovery of which has become a matter of national pride, prior to offering large-scale financial assistance. It says, though, it will be flexible about the actual return to Japanese administration of the territories, which are home to some 25,000 Russian citizens.

Differences with other G-7 nations on the perceived threat of a disintegrating Russia, coupled with the sentiment Japan is the only one with deep enough pockets to offer aid and Tokyo's reluctance to throw money into a dysfunctional economy, are also sources of discord.

Japan feels that, due to its geographical location, it would be more sheltered from fallout than say European countries in case Russia descends into chaos, officials say when speaking in private. For Europe, the prospects of Russia unraveling or even facing civil war invoke images of waves of refugees.

Clinton, meanwhile, is anxious to prevent the emergence of a Russian leadership that could pose a renewed military menace, and dash his plans to cut defense spending.

While Japan favors Yeltsin as the leader most likely to carry out economic and political reforms, many here do not anticipate his ouster would have a direct impact on Japan.

"The nuclear threat would hardly be directed against Japan," said a foreign policy adviser to International Trade and Industry Minister Yoshiro Mori. Nevertheless, if Japan grates against other G-7 nations, it could face other sorts of backlashes in fields such as trade, or its bid for a permanent seat on the United Nations Security Council.

Mori's adviser said, "Japan should look at aid to Russia as an investment in salvaging the Japan-U.S. relationship," and preventing closure of European and U.S. markets.

TV Transmission to Russian Far East Planned

*OW2303131993 Tokyo KYODO in English 1223 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—KDD [Kokusai Den-shin Denwa], Japan's main overseas telecommunications carrier, said Tuesday it will start a television program transmission service to the Russian Far East from April 1.

It said the service was worked out under an agreement with Vladivostok-based Vostok Telecom, a joint telecommunications venture established by Japan and Russia to improve telecom service between Japan and

Siberia. The joint company started an international telephone service in January.

Agreement Reached With Russia on Salmon Hauls

OW2003101993 Tokyo KYODO in English 0931 GMT 20 Mar 93

[Text] Tokyo, March 20 KYODO—Russia has agreed that Japanese boats will increase their salmon hauls in Japan's 200-mile economic zone this year by over 1,000 tons to the 4,000-ton level, Fisheries Agency sources said Saturday [20 March]. The two countries also agreed to keep salmon catches by a Russo-Japanese joint venture in the Russian zone unchanged at 15,000 tons, the sources said.

The agreement has been reached in bilateral negotiations under way in Moscow, they said. A formal agreement is scheduled to be signed later Saturday, they said.

The sources said both sides also settled a dispute over a Russian demand for payment for damage allegedly caused by poaching by Japanese fishing boats in high seas. They said the Japanese fishing industry is ready to pay 157,500 yen per ton to Russia as cooperation fees when a ruling on the volume of Japanese catches is handed down by a Russian court which is considering a dispute between the two countries over the hauls.

'Political Tumult' in Russia Pushes Yen Buying

OW2303011493 Tokyo KYODO in English 0050 GMT 23 Mar 93

[Text] Tokyo, March 23 KYODO—The U.S. dollar opened at a new intraday low of 115.43 yen in Tokyo currency dealings Tuesday, down 0.59 yen from Monday's close of 116.02 yen. The opening quote compared with 115.60-70 yen in New York and 115.50-60 yen in London late Monday. Both were record low finishing rates for those markets.

Tokyo investors, shaking off fears of possible interventions by the Bank of Japan, scrambled to buy the yen against the German mark, which in turn pushed the Japanese currency higher against the dollar. The yen-buying came against the background of escalating political tumult in Russia and a jittery European currency system, market analysts said.

Also fueling yen-buying was the recent steady gains of the Tokyo stock market, they said.

The observers said the next focal point of yen-dollar dealing will be whether the Japanese currency can top or stay in the 115 yen level.

Hayashi Gives Dissenting Opinion

OW2303015993 Tokyo KYODO in English 0135 GMT 23 Mar 93

[Text] Tokyo, March 23 KYODO—Finance Minister Yoshiro Hayashi said Tuesday the yen's renewed advance on foreign exchange markets is driven by speculation and that he will act appropriately on the matter in close contact with other major industrial countries. Hayashi said market speculation is to blame for the yen's current strength and that the political turmoil in Russia appears not to be linked to the yen's surge.

The finance minister was speaking at a press conference after a regular cabinet meeting, as the yen soared in Tokyo currency dealings Tuesday morning to hit a new postwar high of 115.35 yen against the U.S. dollar at one point.

Ozaki Says Rapid Decline of Dollar 'Unlikely'

OW1903095393 Tokyo KYODO in English 0931 GMT 19 Mar 93

[Text] Tokyo, March 19 KYODO—Japanese Vice Finance Minister Mamoru Ozaki said Friday he finds no element that would lead to a further rapid decline of the U.S. dollar, considering fundamental conditions such as the recovery of the U.S. economy.

Ozaki, speaking at a regular press conference, said Friday's appreciation of the yen against the dollar seems to have been the Result of a more-moderate-than-expected stance by the German Bundesbank in cutting its interest rates. The German central bank announced Thursday a cut in its official discount rate by 0.5 percentage point to 7.5 percent effective Friday, but kept the key Lombard rate unchanged at 9 percent.

In Tokyo the dollar closed at a record low of 116.10 yen on Friday, down 0.84 yen from the previous day's close.

Industry Views Rise in Foreign Microchip Share

OW2003031593 Tokyo KYODO in English 0249 GMT 20 Mar 93

[Text] Tokyo, March 20 KYODO—Japan's electronics industry on Saturday welcomed news that foreign microchips surged above 20 percent of the Japanese market in the final quarter of last year.

Nobuo Kanoi, chairman of the Electronics Industries Association of Japan's Users Committee of Foreign Semiconductors (UCOM), said, "I am very satisfied with this accomplishment." This is "the result of efforts by UCOM and Japanese user companies to increase business opportunities along with determined sales efforts by foreign semiconductor suppliers," he said.

Kanoi noted that short-term market share figures can be influenced by the global economic environment and fluctuating exchange rates. "It is important not to

become overly optimistic when the quarterly numbers rise or overly pessimistic when they do not," he said.

"It is more vital that semiconductor users and suppliers establish favorable and long-lasting business relationships," Kanoi said. The design-in, joint work from the design stage, is understood and fully utilized by both sides as a method of increasing business opportunities, he added.

Mori Negative on Renewal of U.S. Chip Pact

*OW2303041993 Tokyo KYODO in English 0352 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—Japan's trade minister showed a negative attitude Tuesday toward renewing the Japan-U.S. semiconductor agreement which will expire in 1996. International Trade and Industry Minister Yoshiro Mori said at a news conference that it is "not desirable" to extend the pact after its expiration.

Mori said that the target of 20 percent foreign market share was attained as a result of bilateral cooperation. The Japan-U.S. chip trade pact, agreed in August 1991, provides that foreign chip makers can expect a more than 20 percent share of the Japanese semiconductor market by the end of 1992.

The share of foreign-made microchips in the Japanese market reached 22.5 percent in the fourth quarter of 1992 according to Japanese calculations.

The foreign share for the same period was 20.2 percent according to a U.S. calculation formula which excludes "captive" microchips sold by U.S. producers to Japanese subsidiaries, and "branded" chips made by Japanese companies but sold in Japan under foreign brand names.

Mori voiced objection to U.S. demands to continue the foreign market share target after 1993, saying, "the 20 percent share is a target to try to reach, not a commitment. It is unreasonable to regard the figure as a floor (to accept)."

"There is also a dispute over why only Japan should set a market share target for U.S. products. It is desirable to resolve the chip issues through cooperation between both nations' industries," Mori said.

Mori also said that fixing the 20 percent share as a lower limit even after 1996 may lead to managed trade, which he said must be avoided.

Owada Leaves for Europe After U.S. Visit

*OW2003092893 Tokyo KYODO in English 0813 GMT
20 Mar 93*

[Text] New York, March 20 KYODO—Japan's Vice Foreign Minister Hisashi Owada left New York for London on Friday [19 March] after ending talks with U.S. officials to prepare for a Group of Seven (G-7) ministerial meeting on aid to Russia.

Owada will visit Britain, Germany and France from Saturday to Tuesday, according to his itinerary released by the Japanese Consulate General in New York. In his talks with European officials, Owada will seek support for Japan's proposal for a ministerial meeting instead of an emergency summit of the United States, Canada, Britain, France, Germany, Italy and Japan.

Japan hopes to hold the G-7 meeting of foreign and finance ministers in Tokyo around April 19, the officials said.

Owada is scheduled to return to Tokyo next Friday.

JSP Recognizes ROK-Tokyo Normalization

*SK2103081693 Seoul YONHAP in English 0756 GMT
21 Mar 93*

[Text] Tokyo, March 21 (YONHAP)—Japan's Socialist Party [JSP] leader Sadao Yamahana told a visiting South Korean parliamentary representative his party unconditionally recognizes Seoul-Tokyo diplomatic normalization treaty, ASAHI SHIMBUN reported Sunday.

Yamahana called on Kim Chae-son, Seoul-side chairman of Korea-Japan parliamentary union, at his hotel for a 15-minute talks March 6 when Kim was touring Japan, ASAHI said. The meeting is the first contact between a South Korean official and leader of the Socialist Party which keeps policies sympathetic to North Korea and hitherto refuses to recognize the 1965 Seoul-Tokyo basic relations treaty.

The party leader also told Kim he wants to visit Seoul at an early date and asked for his cooperation so that his party can join the bilateral Parliamentary Union, the paper reported.

Kim answered that while Seoul would welcome his visit, the Socialist Party should make unequivocally clear whether it recognizes South Korea. He also told Yamahana that President Kim Yong-sam may have been able to meet casually with Socialist Party officials when he was in the opposition camp but that situations have changed since then, it said.

Tokyo To Hear Testimony of 'Comfort Women'

*OW2303061693 Tokyo KYODO in English 0549 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—Japan plans to hear testimony in South Korea from Korean women allegedly forced into prostitution by and for the Japanese military during World War II, the government's top spokesman said Tuesday. Chief Cabinet Secretary Yohei Kono told a House of Councillors parliamentary committee that historic documents have proved to be "insufficient," so the government is considering hearing testimony from individuals who were directly involved.

The statement appeared to reverse the government's earlier position that such hearings would pose an invasion of privacy and that it would be "unfair" and lead to controversy if only selected victims were interviewed. It is also an indication that the government may eventually recognize that the women were forced into prostitution by the Japanese authorities.

Last summer, the government for the first time admitted the involvement of the wartime Japanese Government in the management of front-line brothels, after a Japanese scholar had found archival documents showing the authorities were mixed up in it. Previously, Japan had maintained the brothels were privately organized.

The government, however, said an investigation of the documents had failed to prove the women were forcibly recruited.

A government source said interviews with the women would be held in South Korea as early as April. The government plans to issue a final report on its investigation of what Japan calls "comfort women" by June, the source said.

The government last December and this month heard testimony from South Korean women who came to Japan seeking redress for their treatment by Japan.

On compensation, Kono welcomed South Korean President Kim Yong-sam's statement that he does not plan to seek compensation from Japan on behalf of the women. Kono, however, said Japan would like to express its deep regret in some concrete form.

Prime Minister Kiichi Miyazawa, pressed by Social Democratic Party Dietwoman Sumiko Shimizu as to whether the alleged sexual enslavement was a crime against humanity, replied, "I don't know well what a crime against humanity is so I cannot give an accurate reply."

After a legal definition from the Tokyo war crimes trial was read out, Kono told the committee that none of the suspects in that trial were found guilty of crimes against humanity.

Historian Takeo Sato of Takushoku University said that no suspects were indicted on charges of crimes against humanity at the Tokyo war crime trials in part because the trial was dominated by Americans, who were not well-informed about war atrocities against Asians, and were more concerned about treatment of American prisoners of war.

Tokyo Said Hesitant About SRV Prisoner Issue

OW2303115493 Tokyo KYODO in English 1137 GMT 23 Mar 93

[Text] Tokyo, March 23 KYODO—Japan does not want to embarrass Vietnamese Prime Minister Vo Van Kiet on his first visit to a Western country by calling for the release of political prisoners, government sources said

Tuesday. "This is Kiet's first visit to a Western country, so it might be very much embarrassing if the main item for talks with Miyazawa" were the release of political prisoners, a Foreign Ministry official said.

"It would certainly not be a good approach because we want to profit from this rare occasion by talking about future cooperation with Vietnam and Japan," the official said, speaking on condition of anonymity. Ties have been cool for 15 years.

He added that while he could not predict exactly what Miyazawa will say in the one-hour talks slated for Thursday, discussion is likely to take place in a "more global context appropriate for statesmen. We are not preparing a tribunal for Kiet," he said.

Last week a group of Vietnamese residents of Japan presented a list to Deputy Chief Cabinet Secretary Motoji Kondo of 538 prisoners they say have been detained for political reasons. They urged Miyazawa to call for their release.

Au Minh Dung, director of the Japan chapter of the dissident National United Front for the Liberation of Vietnam, said the group's other branches plan to make a similar request next month in personal meetings with leaders of the United States, Australia and Switzerland.

The Foreign Ministry official, remarking on French Foreign Minister Roland Dumas' delivery of a list of 10 to 20 Vietnamese believed to be under detention during a February visit to Vietnam, said that Japan doubts that "putting on a performance" is the best way to approach human rights violations. Japan believes that encouragement of political reforms is needed in addition to pressure, and that in the case of Vietnam, Tokyo has "good reason to think that reforms will proceed."

Dung's group estimates that Vietnam has about 35,000 political prisoners. The Foreign Ministry official said Japan has not yet confirmed specific cases.

About 5,000 Vietnamese "boat people" who fled their country after the 1975 fall of Saigon are residents in Japan.

Japan is Vietnam's top trading partner, and last November it ended a 14-year suspension of aid imposed after Vietnam invaded Cambodia.

GSDF Peacekeepers Return Home From Cambodia

OW2203013393 Tokyo KYODO in English 0112 GMT 22 Mar 93

[Text] Narita, Chiba Prefecture, March 22 KYODO—A group of eight officers from Japan's Ground Self-Defense Force [GSDF] returned to Narita airport on Sunday night [21 March] after completing a six-month cease-fire observance assignment on U.N. peacekeeping missions there. They are the first Japanese peacekeepers to return from duty in Cambodia and will be followed by

a 600-member engineering battalion which is scheduled to return home in mid-April, defense officials said. A similar battalion is being sent to replace them.

The officers were welcomed at the airport by Director General of the Defense Agency Toshio Nakayama, Joint Staff Council Chief Makoto Sakuma, U.N. Peacekeeping Cooperation Headquarters Secretary General Shunji Yanai and others.

At a press meeting at the airport, the group's leader, Lt. Col. Yusuke Fukui, said, "it seemed that our duties in Cambodia were finished in an instant. I believe the SDF force personnel were sufficiently prepared to serve as peacekeepers. If they further improve their language efficiency, they will surely be able to accomplish any U.N. peacekeeping duties in the future," he added.

Defense Agency Chief Nakayama told the returning officers, "I'd like to pay tribute to you for achieving a big success in playing an important role in Cambodia's rebuilding."

Miyazawa: Spread of Arms Threatens Era of Peace

*OW2103042293 Tokyo KYODO in English 0209 GMT
21 Mar 93*

[Text] Yokosuka, Kanagawa Pref., March 21 KYODO—Prime Minister Kiichi Miyazawa expressed concern Sunday that the era of post-cold war peace is threatened by arms proliferation.

Addressing the graduating class of the National Defense Academy, Miyazawa told the young officers that Japan must firmly meet its international responsibilities while urging them to be model citizens and leaders. He said historical trends have "made a big turn toward peace" since the end of the cold war. "But there is anxiety about the spread of nuclear arms and other weapons of mass destruction," said Miyazawa, in an apparent reference to North Korea's decision to withdraw from the Nuclear Non-Proliferation Treaty.

Japan, the United States and South Korea have expressed concern about Pyongyang's March 9 announcement and have urged the already isolated nation to retract its decision and allay suspicions about its nuclear power development program.

Miyazawa told the graduates that Japan's responsibilities and roles in the new world order "have never been so big." He said Japan's contribution must be positive.

He said Japan had responded to international expectations by dispatching troops to United Nations peacekeeping operations in Cambodia, calling it "significant" that the Self Defense Forces are demonstrating their abilities.

The prime minister said Japan's defense policies will continue on a self-defense basis, which is efficient and moderate and within the framework of Japan-U.S. defense arrangements.

Trade Minister Urges More Capital Investment

*OW2203040693 Tokyo KYODO in English 0355 GMT
22 Mar 93*

[Text] Tokyo, March 22 KYODO—Japan's electric power and gas companies should use windfall gains from the yen's recent foreign exchange rise for capital investment rather than for rate reductions, Japan's trade minister said Friday [19 March]. Yoshiro Mori, head of the Ministry of International Trade and Industry, made the remark before the House of Councillors budget committee while commenting on growing calls in the business community for the rates to be reduced.

The increased value of the yen is expected to give the utilities major windfall gains through a reduction in the import cost of crude oil.

Mori said a reduction in the utility rates at this point would be "premature," adding that foreign exchange market trends require close monitoring on a long-term basis. He said increased capital investment by the utilities would contribute more to Japan's economic recovery than lower utility rates would.

Tokyo 'Hopes To Pass' Supplementary Budget

*OW2003032293 Tokyo KYODO in English 0312 GMT
20 Mar 93*

[Text] Mito, March 20 KYODO—The government hopes to pass a supplementary budget proposal for fiscal 1993 during the current Diet session that ends June 20, a senior ruling party official said Saturday.

The proposal is aimed primarily at buoying the flagging economy, said Seiroku Kajiyama, secretary general of the Liberal Democratic Party. He was speaking at a reception in Mito, Ibaraki Prefecture.

"It's an unusual move," said Kajiyama of the government plan to submit a supplementary budget and related proposals to the ordinary Diet session. He said it aimed at ensuring the economy rights itself out of recession.

The LDP is now working on a fresh package of fiscal measures to complement the 72.36 trillion yen national budget for fiscal 1993. The measures are still being worked out and Kajiyama said he hopes they will be implemented as soon as possible.

The supplementary budget proposal is apparently designed to fund some of the stimulus steps to be included in the fiscal package.

Kajiyama expressed hope that the fiscal 1993 budget will have the effect of revving up the national economy.

"After that, the LDP intends to press ahead with preparations for the annual summit (of seven industrialized democracies set for July 7 to 9 in Tokyo)," he said.

Banks 'Expected' To Write Off Bad Loans

*OW2003082193 Tokyo KYODO in English 0754 GMT
20 Mar 93*

[Text] Tokyo, March 20 KYODO—Commercial banks are expected to write off a record amount of bad loans, more than 1 trillion yen's worth, at the end of fiscal 1992, financial sources reported Saturday.

The sources said the liquidated amount will rise because net business profits reported by banks increased due to a cut in the official discount rate in February and appraisal losses on their stock investments will ease in line with the recent upturn of stock prices. The fiscal year ends March 31.

Net business profits are gains on core lending business and returns on bond holdings before stock evaluation and bad-loan losses.

The write-offs will squeeze banks' pretax profits resulting in a sharp decrease in government tax revenue, the sources said.

Corporate tax payments by the nation's 151 banks will fall below 1 trillion yen in fiscal 1992, down from last year's 1.53 trillion yen, the sources said. The companies paid a record 2.61 trillion yen worth of corporate taxes in fiscal 1988, when Japan's "bubble economy" reached its peak.

The sources said major banks are expected to sell bad loans worth 700 billion yen to Cooperative Credit Purchasing Co. for 500 billion yen, writing off the 200 billion yen balance in their year-end financial statements.

The Finance Ministry said the total value of nonperforming loans held by 21 leading banks at the end of last September was estimated at 12.3 trillion yen, including 4 trillion yen which will be unrecoverable. The 21 banks are 11 major commercial banks, known as city banks, three long-term credit banks and seven trust banks.

Sumitomo Bank plans to liquidate about 220 billion yen in bad loans related to the financially troubled Osaka-based trading firm Itoman Corp. at the end of the current fiscal year, the sources said. Other major commercial banks and long-term credit banks are likely to liquidate bad loans worth between tens of billions of yen and 100 billion yen, the sources said.

Funada Shows Positive View on Housing Tax Cut

*OW2203050893 Tokyo KYODO in English 0441 GMT
22 Mar 93*

[Text] Tokyo, March 22 KYODO—Hajime Funada, director general of Japan's Economic Planning Agency (EPA), indicated support Monday [22 March] for a reduction of housing-related taxes, EPA officials said.

In a meeting with high-ranking officials of the Japan Foreign Trade Council, Funada said the EPA will positively study the possibility of reducing the taxes and raising the ceiling on housing loans extended by the Governmental Housing Loan Corp. as ways of revving up the sluggish economy. He also indicated a positive stance regarding the proposed improvement of social infrastructure such as laying a fiber-optic telecommunications network and provisions of sophisticated medical equipment to state hospitals.

Asked about the possibility of large-scale introduction of personal computers in public schools, however, Funada said the financial law makes such a plan difficult to carry out.

BOJ Reports Signs of Economy Bottoming Out

*OW2303121693 Tokyo KYODO in English 1159 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—The Bank of Japan (BOJ) said Tuesday that some economic indicators, including money supply and automobile sales, show the economy is bottoming out. The central bank said in a monthly report that Japan's broadly defined money supply—M2 (cash in circulation and time and demand deposits) plus certificates of deposit (CDs)—grew 0.2 percent in February from a year before for the first year-on-year growth in six months.

The increase in the measure of liquidity is a result of slightly active lending by financial institutions along with money flows from state coffers due to more spending on public works, the report said. It also said that new car sales in the first 15 days of March showed the first year-on-year increase in nine months, indicating a recovery in consumer spending.

But a BOJ official called it premature to definitely say the economy has bottomed out, using only money supply growth as an example. He noted that consumer spending and corporate investment—the pillars of economic growth—remain weak.

Bank of Japan Head Mieno Assesses Economy

*OW2303001893 Tokyo KYODO in English 2349 GMT
22 Mar 93*

[Text] Tokyo, March 23 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said in an interview published Tuesday that he expects economic recovery in the second half of fiscal 1993 if fiscal stimulus measures are taken in the first half. But Mieno, in an interview with the business daily NIHON KOGYO SHIMBUN, declined to say how big the fiscal stimulus measures should be.

In assessing the state of the economy, the central bank chief said the economy is still in "an adjustment phase" and has not hit bottom yet with no improvement in corporate earnings and employment expected in the near future. But Mieno cited as bright spots the effects of

public works spending, a recovery of money supply growth, the stock market rebound and a sign of a recovery of new car sales.

Jan Leading Index Reaches 50 Percent

*OW2303061093 Tokyo KYODO in English 0520 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—Japan's diffusion index of leading economic indicators for January touched the boom-or-bust line of 50.0 percent for the first time in 10 months, signaling the economy is heading toward recovery, the Economic Planning Agency reported Tuesday.

The January index came to 50.0 percent, up from a revised 30.8 percent in December, the agency said in a preliminary reading. Any reading above 50.0 percent is interpreted as a signal the economy will expand three to six months ahead, while levels below that indicate contraction.

The index of coincident indicators stood at 11.1 percent for January to post the fourth straight month below 50.0 percent. This compared with 10.0 percent in December.

The index of lagging indicators, which measures economic performance in recent months, came to 16.7 percent, compared with December's revised 18.8 percent and below 50.0 percent for the 11th month in a row.

MITI Reports on First Quarter Steel Output

*OW2203090293 Tokyo KYODO in English 0839 GMT
22 Mar 93*

[Text] Tokyo, March 22 KYODO—Japan's crude steel output for the first quarter of fiscal 1993 will remain sluggish because of the slow recovery in domestic demand, the trade ministry estimated Monday [22 March].

The Ministry of International Trade and Industry said production for the April-June period is estimated at 24.8 million tons, up 1.9 percent over a year earlier but down 0.7 percent from the preceding quarter.

The estimate means the country's crude steel output for the whole of fiscal 1993, which ends March 31, 1994, will fall short of 100 million tons.

"Recovery of domestic demand is very slow and whether the production will top 100 million tons depends largely on the government's pump-priming measures," said a ministry official. The ministry, however, said exports for the three-month period will remain steady, estimated at nearly 1.8 million tons, in view of strong demand from China.

The ministry official said it is not known how long the steady exports to China will continue.

The ministry said steelmakers will reduce inventories by about 300,000 tons in the coming quarter. It said domestic consumption of rolled steel materials in the April-June

period will drop 5.5 percent from a year earlier because of sluggish demand from major customers.

Consumption by the automobile industry is expected to decrease 4.3 percent from a year earlier while demand from machinery and shipbuilding industries is likely to fall 11.0 percent and 6.7 percent respectively, the ministry said.

Business Views Importance of Safeguarding Jobs

*OW2203044293 Tokyo KYODO in English 0423 GMT
22 Mar 93*

[Text] Tokyo, March 22 KYODO—Business leaders indicated Monday that they are attaching more importance to safeguarding jobs than raising wages this spring in view of the deterioration in business conditions, trade ministry officials said.

Executives of the Federation of Employers' Associations (Nikkeiren) conveyed the stance to Yoshiro Mori, head of the Ministry of International Trade and Industry (MITI), the officials said. They quoted one Nikkeiren official as saying, "big wage increases might cause stagflation."

The officials quoting Mori as making a neutral comment, replying, "I hope management and labor unions have earnest negotiations with a view to seeking rational solutions."

The annual spring labor offensive for higher wages is expected to result in increases of less than 4 percent, which would be the lowest growth rate in six years, since Japanese companies were hit by a sharp appreciation in the value of the yen against the dollar in 1987. Management and labor unions in the electrical appliance industry have agreed on an average pay rise of 3.6 percent, and increases in the steel industry have been set at 7,500 yen a month, or 2.65 percent.

Tokyo To Widen Scope of Employment Subsidy

*OW2203123293 Tokyo KYODO in English 1120 GMT
22 Mar 93*

[Text] Tokyo, March 22 KYODO—Labor Minister Masakuni Murakami said Monday [22 March] the ministry plans to broaden the scope for allowing companies a government subsidy to keep workers on staff. Speaking at a session of the House of Councillors Budget Committee, Murakami said the ministry is reviewing the system because an increasing number of companies are cutting staff amid the protracted economic slump.

The government provides subsidies to help companies in recession-hit business sectors pay salaries and allowances to workers they would otherwise have laid off. The ministry is studying whether to provide such subsidies to companies in sectors not designated as recession-hit, but forced to reduce jobs, Murakami said.

Freeze on Shorter Hours at Small Firms Approved*OW2303032293 Tokyo KYODO in English 0205 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—The government gave the go-ahead Tuesday to a one-year postponement of a planned reduction in work hours at small- and medium-sized companies. A cabinet meeting on the day approved a revised government ordinance, which puts off until April 1994 enforcement of a law mandating a 44-hour workweek at smaller firms.

Originally, small companies were supposed to cut their workweek to 44 hours from 46 hours at the end of this month, following the example of bigger enterprises which have already adopted a 44-hour workweek. But as the current economic slump is hitting many small companies particularly hard, the government agreed to delay implementation of shorter working hours at these firms.

The revised ordinance, however, requires that all firms with more than 100 employees must adopt the 44-hour workweek. Up to now, companies in some specified industries with a bigger work force also qualified for exemption.

As a result, the number of employees covered by the exemption will decline to 19.78 million, or 45.3 percent of the nation's total labor force, from the current 21.65 million, or 49.6 percent.

GSDF Said To Have Conducted Nuclear Training*OW2003103893 Tokyo KYODO in English 0929 GMT
20 Mar 93*

[Text] Tokyo, March 20 KYODO—The Ground Self-Defense Force (GSDF) used map exercises to train military cadets about the use of nuclear weapons in the 1950s and 1960s, informed sources said Saturday. According to secret training materials which KYODO News Service obtained and other evidence, the training was given from 1954, when the Self-Defense Forces was inaugurated, until the mid-1960s.

A teacher who has testified he promoted the education [as received] said he thought the SDF needed training on the technical and strategic aspects of nuclear weapons based on his military studies in the United States. The use of nuclear weapons remained an academic matter, however, as the SDF has no such weapons, the teacher said.

The training was changed to specialize in defending against foreign nuclear attack after mid-1960s.

The material about the training consists of 13 items, including translated versions of U.S. military textbooks and the GSDF's original documents, which are said to have been used at the military school in 1955. The documents explain the effects of nuclear bombs and ways of removing radioactive contamination, and the translated papers introduce nuclear weapons and their uses in attack.

A former SDF researcher who drew up the Japanese documents testified that the SDF needed to study the technology of nuclear weapons to be able to understand how to defend against them. A spokesman for the SDF said the materials were used for training the military commanders.

In repeated questioning in the Diet in the past concerning the SDF's training about nuclear arms, the government has said the education was only a defensive matter.

Japanese Communist Party legislator Koichiro Ueda grilled the Defense Agency at the House of Councillors' Budget Committee session in 1985 about the SDF's nuclear warfare training and displayed training materials he said were used after 1959. But agency officials declined to answer the questions, saying it could not confirm Ueda's materials as authentic.

Aegis-Equipped Destroyer Kongo Set for Duty*OW2203083793 Tokyo KYODO in English 0816 GMT
22 Mar 93*

[Text] Tokyo, March 22 KYODO—The Maritime Self-Defense Force (MSDF) will deploy a 7,250-ton Aegis-equipped destroyer in its 2nd fleet of eight warships, Defense Agency officials said Monday [22 March]. The officials did not say when the Aegis-equipped Kongo would be placed on duty. The warship was built by Mitsubishi Heavy Industries Co. in Nagasaki in western Japan.

The computer-controlled Aegis system, developed in the United States, is capable of simultaneously spotting more than 200 targets and destroying more than 10 enemy missiles approaching from different directions.

Apart from the Kongo, the MSDF will deploy three other Aegis-equipped warships in three fleets of eight fighting vessels each, the officials said. Each of the Aegis-type ships will cost 120 billion yen, excluding weaponry. The second and third Aegis warships are currently under construction by Mitsubishi, the officials said.

Kosugi To Lead Environmental Legislators Group*OW2303055093 Tokyo KYODO in English 0209 GMT
23 Mar 93*

[Text] Tokyo, March 23 KYODO—Takashi Kosugi, the newly appointed leader of an international group of lawmakers seeking to protect the environment through legislation, has a hard act to follow.

When Al Gore became United States vice president, he vacated the post of president of the international section of the Global Legislators Organization for a Balanced Environment (globe), a select group of legislators from the U.S., the European Community (EC), the Commonwealth of Independent States (CIS), and Japan. The GLOBE Japan office announced March 17 that members had elected Kosugi, the head of the Japan branch, as Gore's successor.

Kosugi is a member of the ruling Liberal Democratic Party. He has served as deputy chief at the environment agency and chairman of the House of Representatives Environment Committee.

He will be the first Japanese leader of the four-year old organization. He will be formally appointed at the Seventh GLOBE General Assembly in Tokyo this summer.

GLOBE began as an initiative by several Western European, U.S., and Japanese legislators in the autumn of 1988. Their intention was to establish a forum for legislators from countries that are major consumers of energy and resources to exchange information and ideas on how best to save the environment through legislative action.

In principle, each member country can have no more than 15 members. This keeps the branches better able to take part in the decision-making process.

Although the branches consist wholly of legislators, the membership is a mix of governing party and opposition party representatives. Branches are by definition non-partisan nongovernment organizations.

In an interview with KYODO News Service following his appointment, the 57-year old Kosugi said GLOBE is beginning to make an impression where it counts.

On the international front, Kosugi cited Gore's high-profile participation as leader of a contingent of environmentally concerned U.S. legislators at the United Nations-sponsored earth summit in Rio de Janeiro in June last year. He also cited a letter sent from GLOBE members in all countries to U.S. President George Bush urging his administration to sign an international protocol ruling out mining in Antarctica in 1990.

On the home front, Kosugi said input from GLOBE Japan members during framing of the basic environment bill now before the Diet saved the bill from being further watered down by competing ministries and agencies.

He said he is not happy that the law refers to the need for environmental impact statements without mentioning the extent of such statements and their enforceability. "It needs to be more clear on the point about environmental assessments, but at least we managed to get the need for it mentioned," Kosugi said.

"The barriers put up by competing ministries and agencies are solid, especially the construction and transport ministries and the Ministry of International Trade and Industry (MITI)."

Kosugi said GLOBE general assemblies are a chance for members from each of the four branches to assess progress and swap ideas. But the four branches don't always agree.

Kosugi predicted one of their main points of difference at the coming summer assembly in Tokyo will be over whaling. Led by EC members, the majority of the

branches want to create a sanctuary for minke whales in areas south of the 40th parallel, but GLOBE Japan members are united in their opposition to the idea. The GLOBE Japan branch says minke whale numbers have recovered under the present moratorium on harvesting and a resumption of minke hunting is now justified.

Kosugi, who jogs to the Diet from his home in Meguro most days and boasts he washes his clothes with soap made from recycled cooking oil, cited air pollution from diesel trucks in major cities, a deterioration of the quality of drinking water, and the spread of golf courses as the major environmental problems for Japanese legislators.

If Kosugi had his way, he would legislate incentives to encourage the installation of solar tiles on all roofs, solar panels on freeways to fuel street lights, and promote new communications systems to eliminate the need for businessmen to shuttle to and from Tokyo on bullet trains. He also would place restrictions on express delivery services which he blames for much of the diesel exhaust in the air in Tokyo.

"We have to move toward creating a consciousness of the environment among corporations," Kosugi said. "We might have to sacrifice convenience for the sake of the environment." As a Dietman, he said that means legislating for change.

"We have to look anew at the existing form of politics," he said. "And now is as good a time as any."

Mongolia

Presidential Election Scheduled for 6 June

OW2303071493 Tokyo KYODO in English 0644 GMT
23 Mar 93

[Text] Ulaanbaatar, March 23 KYODO—Mongolia officially announced Tuesday that a presidential election will be held June 6, giving ordinary Mongolians their first chance ever to directly pick a leader. Candidates must register between March 30 and April 13, with the election campaign likely to intensify after mid-April, political analysts said.

The presidential contest follows the promulgation in February last year of a new Constitution, which is intended to make the country's political system more democratic and its economy market-oriented. The new Constitution replaced one from 1960 that guaranteed power to the communists. That clause was deleted from the constitution in 1990, and other changes were made allowing opposition parties and free elections.

In the election, attention will be concentrated on whether a range of opposition parties can field a joint candidate for the presidency against incumbent President Punsalmaagiyn Ochirbat of the ruling Mongolian People's Revolutionary Party.

Ochirbat, who was elected president in September 1990, is expected to be reelected, but the opposition could benefit from growing public discontent with the nation's economic crunch, analysts said.

Presidential Electoral Campaign Begins

LD2303121193 Moscow ITAR-TASS World Service in Russian 0550 GMT 23 Mar 93

[Text] Ulaanbaatar, 23 Mar (ITAR-TASS)—The "presidential race," the electoral campaign before the first national elections of the head of state, started today in Mongolia. It will end on the first Sunday of June with direct secret elections.

Punsalmaagiyn Ochirbat, the current Mongolian president, was elected to the highest state post by the previous parliament. His participation in the present electoral campaign is rather problematic because the Constitution and the law on presidential elections forbid him from putting forward his own candidacy. Only parties represented in parliament can nominate candidates.

Here, there are three such parties: the People's Revolutionary Party, the National Democratic Party, and the Social Democratic Party. The president can hope to succeed only if one of these parties nominates him. Then he will have a fair chance. Most voters know P. Ochirbat personally. During his leadership he visited all 18 aymags in Mongolia.

The nomination of candidates and presentation of their electoral platforms will begin at the end of this month and will last for two weeks. During this time the parliamentary parties will also define their stance. Therefore, names of the contenders to the post of the head of the Mongolian state will be known by the middle of April.

Prime Minister Describes Economic Advances

LD2203153693 Moscow ITAR-TASS World Service in Russian 0821 GMT 22 Mar 93

[By ITAR-TASS correspondent Dugar Sanzhiyev]

[Text] Ulaanbaatar, 22 Mar—As a result of the implementation of economic projects planned in Mongolia, the second stage in its cooperation with donor states and international organizations, which has now begun, will make the country's economy more independent and allow domestic needs to be met, Mongolian Prime Minister Punsagaiyn Jasray has stated. He made this statement to the "DZASGIYN GADZRYN MEDEE" weekly in assessing expanding contacts with the international business community.

He said that one of the results of the first stage of mutual cooperation has been the planned stabilization of the economic situation. Joint efforts are producing new programs with the principal aims of making effective use of foreign investment and introducing modern technology, the prime minister said. In his view, the International Monetary Fund, the World Bank, the Asian

Development Bank, and the Governments of Japan, the United States, and Germany plan to step up credit-based and humanitarian aid to Mongolia.

But we must not beg or count only on help from outside, Punsagaiyn Jasray indicated. Apart from cooperation with the rest of the world, there is only one way for Mongolia to achieve prosperity: to mobilize our forces to maximum effect and work as well as can, the Mongolian prime minister stressed.

North Korea

Reaction to DPRK Withdrawal From NPT Continues

Official: 'No Change in Our Stand'

SK2303051793 Pyongyang KCNA in English 0449 GMT 23 Mar 93

["There Can Be No Change in Our Stand"—KCNA headline]

[Text] Pyongyang, March 23 (KCNA)—Yi Chong-hyok, permanent representative of the DPRK to the U.N. Food and Agriculture Organization [FAO], called a press conference on March 18 and made public a statement refuting Western news agencies' distorted propaganda about the DPRK's stand regarding the present situation.

Western media reported that the DPRK responded to a contact with the United States in Beijing bowing to some international pressure and would revoke the decision on the withdrawal from the Nuclear Nonproliferation Treaty (NPT). They also spread a rumour that the DPRK would accept a "special inspection" by the International Atomic Energy Agency [IAEA] when the "Team Spirit" joint military exercises ended in South Korea.

"This is nothing but a totally unfounded political fantasy," the statement said, and went on:

"Aware that no pressure or threat and blackmail could frighten us, the United States and its allies seem to be attempting to mislead international opinion so as to improve their seriously damaged image.

"Our government's position is consistent, clear and decisive. There can be no change, not even an inch of retreat from our position unless the U.S. nuclear threat to our country is completely removed and the IAEA's unjust demand for 'special inspection' is withdrawn.

"As far as the contact in Beijing is concerned, it is nothing more than a regular contact between embassy councillors of the two countries which began in 1990. And it was made at a request of the United States.

"If the United States really want detente on the Korean peninsula, it should not hesitate even a moment to end the 'Team Spirit' and promptly pull out all its offensive forces and latest military equipment deployed for the

exercises. Unless such steps are taken without delay, the tensions on the Korean peninsula cannot be eased, and we will answer any slightest military provocation with a decisive self-defensive countermeasure. We also advise Japan and the South Korean authorities to stop talking recklessly about "sanctions" and the like and behave with discretion.

"It is a gross mistake if they think they can frighten us with some political 'isolation' or economic sanctions. We solemnly declare that we are not surprised at all in face of any new pressure, for our republic has, in fact, been a target of sanctions and discrimination all along by the United States, Japan and their allies since its proclamation.

CILRECO Supports Decision

*SK2303112393 Pyongyang KCNA in English 1040
GMT 23 Mar 93*

[Text] Pyongyang, March 23 (KCNA)—The International Liaison Committee for Reunification and Peace in Korea (CILRECO) in a statement March 18 fully supported the DPRK's self-defensive step of withdrawing from the Nuclear Nonproliferation Treaty and expressed full support and solidarity for the Korean people's struggle to defend the sovereignty and peace of the country and achieve its independent and peaceful reunification.

The statement says:

"The international liaison committee held an extraordinary meeting on March 14 and urged the U.S. imperialists and the South Korean authorities to immediately stop the 'Team Spirit 93' joint military exercises, a nuclear war game on the Korean peninsula, and the International Atomic Energy Agency to renounce its unfair attitude toward the DPRK and promptly withdraw its 'resolution on special inspection.'

"The meeting also called for a more vigorous international solidarity movement to demand that the United States unconditionally pull its forces out of South Korea and to create a nuclear-free, peace zone on the Korean peninsula and replace the armistice agreement by a peace agreement, and decided to launch an international signature campaign.

"The members of the leadership body of the international liaison committee pungently denounced the reckless nuclear war moves of the United States and the South Korean authorities and strongly demanded that they make efforts to create an environment favorable to reunification."

Radio 'Dialogue' Hails Decision

*SK2003091593 Pyongyang Korean Central
Broadcasting Network in Korean 0447 GMT 17 Mar 93*

["Dialogue" between station correspondents Yi In-sun and Chong Song-kang on DPRK's withdrawal from NPT: "A Most Just Self-Defensive Measure"]

[Text] [Yi In-sun] How are you?

As you know, our Republic's Government issued a statement on 12 March announcing its decision to withdraw from the Nuclear Nonproliferation Treaty (NPT) as a measure to defend the country's supreme interest. I would now like to discuss this issue with you.

[Chong Sang-kang] This measure taken by our Republic's Government clearly shows our firm spirit of national independence. It is also a patriotic and nation-loving measure to rescue our fellow countrymen from the danger of war and to thoroughly defend and guarantee our national interests and security. As the statement by our Republic's Government indicates, the International Atomic Energy Agency (IAEA) adopted an unjust resolution of forcing a special inspection of our general military base which has nothing to do with nuclear activities. This is a brigandish, hostile act of attempting to infringe upon our Republic's sovereignty in a coercive way while disregarding the basic spirit and demands of the NPT and the nuclear safeguards agreement.

[Yi] That is right. Since we signed the nuclear safeguards agreement we have strongly insisted on conducting an overall inspection [chonmyon sachal] of nuclear weapons and nuclear bases in South Korea and received the IAEA's inspection on many occasions, proceeding from our stand to prevent the danger of a nuclear war on the Korean peninsula and to ensure a durable peace there. Through these inspections the irreproachability of our peaceful nuclear policy has firmly been verified.

Finding the fact that our nuclear energy has been utilized for peaceful purposes has been clearly verified through the IAEA's nuclear inspections, the U.S. imperialists manipulated some officials of the IAEA to invent a so-called special inspection with the insidious aim of disarming us and, thus, obliterating our Republic by searching out the secret of our general military base. Thus, the U.S. imperialists are frantically trying to force us to accept the special inspection.

[Chong] I agree with you. What we cannot overlook is that the U.S. imperialist aggressors and the South Korean rulers are not only staging the extremely dangerous Team Spirit nuclear war exercise to launch a preemptive strike against us by mobilizing up-to-date means of nuclear attack and a large number of military troops from South Korea and the areas surrounding it, but are also frantically running wild to find an opportunity to ignite the fuse of nuclear war under the pretext of the special inspection issue.

Now that the danger of nuclear war is at hand it is only too natural for our people to reject the special inspection forced by the U.S. imperialist aggressors and their follower forces and, thus, to defend our national dignity and sovereignty. This is why our people fully support and welcome the decision of the Republic's Government to withdraw from the NPT, recognizing it as a most just and revolutionary measure which reflects our people's indomitable will and firm faith to rescue our fellow countrymen from the danger of war, to defend the

nation's dignity and sovereignty, and to safeguard and defend the chuche-oriented socialism of our own style.

[Yi] As everyone knows, we joined the NPT to make the Korean peninsula a nuclear-free zone and to prevent a nuclear war. We adopted a joint declaration of denuclearization with South Korea and have made all possible efforts for its realization.

Nevertheless, the South Korean authorities abruptly changed their attitude under the manipulation of the United States and created an artificial obstacle to North-South dialogue by requiring international inspections of us. Today when our irreproachability has been verified through international inspections, they have not only acted as the shock brigade of the U.S.-manipulated special inspection commotion, but have also gone so far as to stage the provocative Team Spirit joint military exercise which they suspended last year. Thus, they have frozen North-South dialogue, thereby making North-South relations extremely acute.

This is an intolerable antinational, criminal act designed to avoid an overall inspection of U.S. nuclear weapons and bases in South Korea, to conceal their nuclear development maneuvers, to trigger a new war in collusion with foreign forces, and, thus, to drive the entire nation into a nuclear holocaust. It is also a base, dirty, flunkeyist, and treacherous act.

[Chong] That is right. If we fail to check and frustrate the special inspection scenario being perpetrated by the U.S. imperialists while the danger of nuclear war from indiscreet provocation maneuvers by the U.S. imperialist aggressors and the South Korean rulers encroach upon us by the minute, our nation will become victims of the imperialists' nuclear war and we will encourage foreign forces to fish in troubled waters.

If the U.S. imperialist aggressors and imperialist reactionaries think that they can subdue our people with collective sanctions this is a gross miscalculation. The U.S. imperialist aggressors should admit their brigandish criminal act of manipulating international organizations in plotting to harm and obliterate our country, a non-nuclear state, and immediately stop the unjust special inspection commotion.

[Yi] The Japanese authorities, too, should renounce their base act of attempting to conceal their nuclear arming maneuvers by noisily clamoring about our nuclear development and should stop joining in on the criminal special inspection commotion of the United States.

[Chong] The South Korean authorities should apologize before the entire nation for blocking North-South dialogue and North-South agreement by dancing to the rhythm of the U.S. nuclear inspection commotion. They should also stop the act of playing culprit of the U.S. imperialists. South Korean youth, students, and people should correctly distinguish the two different positions and the two different lines of patriotism and treachery,

and national independence and independence from foreign forces, should firmly unite under the banner of independence and peace in order to avoid becoming the victim of nuclear war, and should vigorously rise in the anti-U.S. and antiwar struggle.

[Yi] Thank you.

Vice President Leaves 23 Mar for Visit to India

SK2303112893 Pyongyang KCNA in English 1111 GMT 23 Mar 93

[Text] Pyongyang, March 23 (KCNA)—Yi Chong-ok, vice-president of the Democratic People's Republic of Korea, left here today for a visit to India as a special envoy of the great leader President Kim Il-song.

He was seen off at the airport by vice-premier of the Administration Council and Foreign Minister Kim Yong-nam, secretary of the Central People's Committee Chi Chang-ik and other officials concerned.

Present at the airport were charge d'affaires ad interim of the Indian Embassy here S.C. Gupta and Chinese Ambassador Zheng Yi.

Reports on Return of Yi In-mo Continue

Wishes To Meet Kim Il-song

SK2303111193 Pyongyang KCNA in English 1059 GMT 23 Mar 93

[Text] Pyongyang, March 23 (KCNA)—Yi In-mo, 76, a former war correspondent of the Korean People's Army, is receiving medical treatment amid deep interest and care of people across the country after he returned to the socialist motherland on March 19.

Yi In-mo, the incarnation of faith and will, is touched by the deep loving care of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il for him and the warm welcome of the entire people.

After an examination Sunday morning, he told the doctor in charge that he did not deserve such a costly treatment and that those who fell in South Korea while fighting for the reunification of the country deserved it.

He went on:

"I wish I had returned to the embrace of the general with their remains, at least, if I were not in such poor health.

"I do not feel bad.

"My dearest wish is to meet the great general and the dear leader, if but once. Please help me, doctors.

"I am moved to tears by the warm hospitality in the embrace of the general, and I am vexed at my speech impediment."

People in different parts of the country are sending lots of presents including tonic to Yi In-mo, hoping that the

old man who triumphantly returned after fighting the enemy with an unshakable will and confidence in socialism would recover soon and live a happy life with his family.

People Prepare Gifts

SK2303055593 *Pyongyang KCNA in English* 0452
GMT 23 Mar 93

[Text] Pyongyang, March 23 (KCNA)—People across the country have prepared many gifts for Yi In-mo, a former war correspondent of the Korean People's Army and the incarnation of faith and will, who had been detained in South Korea till he returned to the embrace of the socialist motherland more than forty years after he left it.

According to information available at competent organs, people of all walks of life in Pyongyang, Kaesong, North Pyongan, Kangwon and North Hamgyong Provinces and all other places of the country have already prepared varieties of gifts such as poems, silk banners, fancy works, tonics, clothes, beddings, in three or four days after comrade Yi's repatriation to the benevolent bosom of the republic. Now they request them to be delivered to him quickly.

This tells that the Korean people who deem it a social trait to care for, love and respect those who devotedly fought for the party and the leader, for the motherland and the people, lavish praises on and warmly love like their own flesh and blood Yi In-mo who fought devoting his youth and even his fireside comfort.

People To Learn From Yi's 'Faith'

SK2303050093 *Pyongyang KCNA in English* 0437
GMT 23 Mar 93

[Text] Pyongyang, March 23 (KCNA)—People of all walks of life in the northern half of Korea are renewing their determination to defend the Korean-style socialism to the end by learning from the revolutionary faith and will of comrade Yi In-mo, a former war correspondent of the Korean People's Army who remained faithful to his principle as a Korean revolutionary till his repatriation.

Kim Pyong-dae, a room chief of the Ministry of Forestry, said Yi In-mo could steadfastly overcome all difficulties with his indomitable faith and iron will, yearning for the bosom of the respected leader Comrade Kim Il-song and the great party, the embrace of the socialist motherland, because, under whatever unfavorable circumstances, he believed that the Korean revolution would surely emerge victorious and the country be reunified without fail as long as there was the leadership of the party and the leader.

He vowed to become a loyal subject with strong faith and will like Yi In-mo, a heroic soldier, upholding order of the respected comrade supreme commander, and thus

fulfil his duty as a member of the Workers' Party of Korea to the last moment of his life, even if he were left alone in a desert island.

Pak Song-hyop at the February 8 Vinalon Complex said:

"Our working class, soldiers who received orders from comrade supreme commander, will turn out valiantly if any enemy is foolish enough to pounce upon us, and take a thousand-fold revenge on him, and defend the respected comrade supreme commander with our lives and display the grandiose might of chuche Korea by becoming the incarnation of faith and will like Yi In-mo."

Pak Chong-kuk, a labour hero at the Yongyon County Integrated Farm in South Hwanghae Province, said he was filled with a resolve to cherish the noble example of Yi In-mo in his heart and uphold the party by increasing food production, sharing the destiny with it invariably, no matter how the world may change.

Yu Yong-il, secretary of the Sangso-ri, Anju city, South Phyongan Province, party committee, said he, as a party member, a party official, would uphold the party and the leader in any adversity like Yi In-mo, a proud son of the nation and an immortal, and lay down his life without hesitation as befitting a revolutionary soldier in the struggle to successfully accomplish the party's cause, the cause of chuche, no matter what trial may come.

NODONG SINMUN 'Warmly' Welcomes Yi

SK2003070193 *Pyongyang Korean Central*
Broadcasting Network in Korean 0000 GMT 19 Mar 93

[NODONG SINMUN 19 Mar editorial: "We Warmly Greet Comrade Yi In-mo, Incarnation of Faith and Will"]

[Text] Comrade Yi In-mo, former war correspondent of the Korean People's Army [KPA], returns from South Korea to the bosom of his socialist fatherland today. Our people, upholding the respected and beloved comrade supreme commander's order, are filled with a firm resolution to impregably defend and adhere to the popular masses-centered socialism of our style with the might of single-minded unity among the leader [suryong], the party, and the masses and to shine it to the world. In this atmosphere, our people warmly welcome the return of Comrade Yi In-mo from victory against the enemy to the bosom of socialist fatherland—the benevolent bosom of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il.

The dear leader Comrade Kim Chong-il has indicated:

Revolutionary faith means a firm belief in the justness of the revolutionary cause and its victory. The revolutionary faith also means a firm determination and will to fight by dedicating everything to revolutionary cause.

Comrade Yi In-mo is an incarnation of faith and will, a hero of reunification, and a proud son of the nation.

When our fatherland was stricken with severe trials because of the U.S. imperialists' armed aggression, he valiantly fought in a holy war to annihilate the enemy for the party and the leader and for the fatherland's security and reunification. Even after he was taken prisoner by the enemies, he fought heroically, remaining faithful to the revolutionary spirit and principles as a soldier to the party and the leader.

The enemy threw him into prison for as long as 34 years. While trying to forcibly convert him ideologically, the enemy tempted him by employing all kinds of cunning methods and tortured him atrociously by breaking his bones and slicing his flesh. Comrade Yi In-mo however rose to the occasion and fought like a phoenix. He kept an unswerving will, faith, and loyalty to the party and the leader deeply in his mind. Because he kept such unswerving faith and will in his mind, he has staunchly fought to open the road of his repatriation with the will to return to the bosom of the party and the leader and to the bosom of the fatherland by all means although he was plagued with extremely weak constitution after his release from prison. His weak constitution was brought about as the result of broken ribs and legs, and even cerebral hemorrhage he suffered at an advanced age from torture in prison.

The nation is proud to have an incarnation of faith and will, phoenix, and hero of reunification [sinnyomkwa uijiui hwasin, pulsajo, tongil yongung] the likes of Comrade Yi In-mo. Our socialist fatherland gave strength and courage to Comrade Yi In-mo so that he could fearlessly fight with unswerving and strong revolutionary will and faith even on an isolated island. The fatherland never forgot the faithful son for even a moment in the past tens of years.

When he did not return from the showdown with the enemy, the fatherland honored Comrade Yi In-mo as a martyr, and bestowed his family with love and benevolence that is to be handed down generation after generation. Upon hearing the miraculous news that he was alive and was fighting against the enemies, a multifaceted struggle to realize his repatriation was organized immediately.

The political parties and organizations of the northern half of the Republic sent a letter to the South Korean Red Cross Society requesting Comrade Yi In-mo's repatriation and appealed to Red Cross organizations and international organizations throughout the world to carry out a solidarity movement supporting his repatriation.

In all dialogue between the North and South including North-South high-level talks, we made strong claims for no longer delaying the repatriation of Comrade Yi In-mo from the humanitarian point of view and the view of North-South reconciliation and for the prisoner of war's unconditional return to the northern half of the Republic where his wife and child are waiting. The fatherland even formed and dispatched a consolatory delegation for Comrade Yi In-mo.

Because the great party and the great leader [yongdoja] protected and looked after him, Comrade Yi In-mo was by no means lonely even though he lived in South Korea for over 40 years without any one of his flesh and blood, and was always able to live indomitably yearning for the bosom of the fatherland. Thus it was finally possible for him to embrace the bosom of the fatherland.

The minds of the South's people and fellow countrymen overseas taking care of the nation's true patriot, were also warm. There are many warmhearted stories that cannot be told without strong emotion—the story about Mr. Kim Sang-won and his family who took Comrade Yi In-mo, who was at a nursing home with no one to depend on, to their home and devotedly took care of him as a son and daughter-in-law would; students of Pusan National University who took care of Comrade Yi In-mo in the hospital alternately by avoiding the sharp surveillance of the antireunification splittist forces; people who vied to visit him in the hospital with medicines for him; people who volunteered to take care of him as if he was their father and pay for the hospital bills; and fellow countrymen overseas who helped Comrade Yi In-mo, moaning with pain, both materially and morally.

Many organizations advocating human rights of the world including the Executive Secretariat of the Organization of Solidarity of the Peoples of Asia, Africa, and Latin America, the International Democratic Lawyer's Association, and the Austrian Lawyer's Association; good law-abiding people; and the broad world's public opinion raised the voice of solidarity to return old man Yi In-mo to the Republic at once.

The proud victory of the sincere efforts by our party and the Republic's Government to repatriate Comrade Yi In-mo resulted in his return to the bosom of the Republic. It was a brilliant result of the struggle to repatriate him which was vigorously unfolded not only in our nation but throughout the world.

Through this opportunity we would like to express sincere gratitude to the fellow countrymen in the South and overseas who especially took care of Comrade Yi In-mo, and the world's good law-abiding people who vigorously carried out the struggle for his repatriation.

Even though it was late for Comrade Yi In-mo to depart from the dark land of South Korea to return to the bright bosom of the Republic, but it was very fortunate. He fulfilled the justness and faith in victory of the socialist cause by fighting well and without yielding to all kinds of oppression by the enemies. Therefore it was possible for him to return home. This is the victory of socialism against capitalism, and manifestation of the superiority of the socialist system of our own style centered on the popular masses.

Today, the world's situation is complicated. Socialism was frustrated in some countries because of the antisocialist maneuver by imperialist reactionaries including the United States and criminal acts by the traitors of the revolution. The imperialist reactionaries are babbling

about the end of socialism and are turning the brunt of aggression to oppress our Republic, the fortress of socialism.

Along with the South Korean puppets, the U.S. imperialists are playing with fire to invade our Republic by carrying out the Team Spirit-93 nuclear war exercise, and by instigating the reactionaries they are raising a commotion of a special inspection. This clearly shows how persistent and indiscriminate the enemies' maneuver to obliterate the socialist system of our Republic are.

Right at this time Comrade Yi In-mo is returning to the great leader Comrade Kim Il-song and the glorious bosom of the party. In retrospect, Comrade Yi In-mo lived only five years in the embrace of the party and the leader. However, during that five years under the benefit of the people's government he enjoyed a rightful and happy life as a master of the country which was provided by the great General Kim Il-song, and blossomed his political life as a member of the Workers Party of Korea [WPK]. In this process he grew to warmheartedly feel that the bosom of the great leader General Kim Il-song and the bosom of the WPK are indeed the true mother's bosom that protects the nation's fate and elucidates it.

His unwavering faith in the party and the leader created an absolute belief in the socialist system of our own style which is widely acclaimed by the international community for its unique socialist system centered on the popular masses. His fight for the belief finally led to the realization of the long-cherished desire.

Comrade Yi In-mo's leaving the rotten and ailing South Korean society to return to the Republic is indeed a demonstration of his loyalty and filial piety to the great leader Comrade Kim Il-song and our party, and his faith and will toward socialism. At the same time, it is powerful evidence of the invincibility and extraordinary driving force of socialism of our own style centered on the popular masses.

Comrade Yi In-mo's return to the bosom of the party and the leader today serves as enormous encouragement for the people in the northern half of the Republic and the people in the South struggling for independence, democracy, and reunification.

Comrade Yi In-mo dedicated his whole life to putting an end to U.S. colonial rule in South Korea and realizing the fatherland's reunification based on national independence. Now, he is able to have a meaningful reunion with his family and relatives after a long separation and enjoy happiness to his heart's content in the free bosom of the party and the leader.

The repatriation of Comrade Yi In-mo inspires the conviction that when all the people overcome difficulties and fight like the phoenix under the banner of national independence, the historical day when all the people

embrace together in tears and laughter to cheer reunification will materialize sooner than expected. The repatriation of Comrade Yi In-mo also yields a valuable lesson that despite any hardship, he will live forever as an incarnation—a phoenix—of faith and will and as a man of national pride when he constantly treasures the faith in socialism and loyalty, filial piety, and single-heartedness toward the party and the leader that gave birth to and fostered him.

Upon news of the return of Comrade Yi In-mo—the hero of reunification—to Pyongyang via Panmunjom today, all the people in the northern half of the Republic are wrapped up in great happiness and their hearts are swaying in the waves of passion. We send warm, compatriotic and comradely greetings to Comrade Yi In-mo filled with the people's will to enthusiastically welcome his repatriation.

In spite of his critical condition, Comrade Yi In-mo, upon receiving the good news that he would be repatriated to the northern half of the Republic, enthusiastically said that he would devote the rest of his life to the reunification and national reconciliation of the fatherland after returning to Pyongyang.

We sincerely hope that Comrade Yi In-mo returns safely so that he can soon recover to enjoy happy days with his wife and child, and contribute to the cause of the fatherland's reunification as he desires, under the world's most superior socialist system of our own style led by the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il.

Socialism is our people's livelihood and life. Comrade Yi In-mo's patriotic undertaking to return to the bosom of the party, the leader, and the socialist fatherland by overcoming difficulties, further consolidates our faith that socialism is victorious if it is defended but that it faces death if it is thrown away.

All the party members and workers should wholeheartedly uphold the respected and beloved comrade supreme commander's order, and further single-heartedly unite around the party and the leader to accelerate socialist construction by holding a rifle in one hand and a hammer and sickle in the other. At the same time, they should assume a full combat mobilization posture, and in the event that the rascals dare pounce upon them, deal a devastating blow to the enemies to defend the socialist fatherland to the last.

KCNA Contrasts Medical Care in North, South
SK2003213393 Pyongyang KCNA in English 1545
GMT 20 Mar 93

[Text] Pyongyang, March 20 (KCNA)—Hwang Suk-hwa, 62, woman residing in Hwagok-ri, Sohung County, North Hwanghae Province, who had been blind for 27 years recovered her sight at Kim Man-yu Hospital here some time ago.

While in the hospital she received free medical treatment worth more than 3,000 won.

Kim Won-chun, a worker of the Pyongyang building materials company, who had got third and fourth degree burns on 45 percent of his body, was completely recovered after receiving medical assistance costing over 24,000 won at the expense of the state. Several dozen kinds of medicines including over three litres of blood and antibiotics were used for his treatment.

Some 200 people donated their blood and pieces of flesh to him.

The universal free medical care system was introduced in Korea on January 1, 1953 when the Fatherland Liberation War was going on.

Hospitals and clinics equipped with modern medical facilities are seen everywhere people live.

The prophylatic policy is the keypoint of the nation's health care policy.

A section doctor system is in force in residential quarters.

Each man enjoys benefits worth some 100 won and each house nearly 500 won from the state every year through the free medical care system.

But the lives of people are decided on by money in the South of the same land.

According to the South Korean newspaper KYONGBUK DAILY, an inhabitant in Yongchon, North Kyongsang Province, who was suffering from leukaemia had to leave the hospital because he could not pay in time the operation fee demanded by it.

A man in Changnyon County, South Kyongsang Province, donated one of his kidneys to his son. But some 5,000,000 more won was demanded for the medicine. Failing to pay this sum, he could not save his son.

In South Korea patients have to pay so much money to get diagnosis and treatment.

At a hospital in Seoul nearly 500,000 won is needed for the treatment of acute appendicitis and 170,000-350,000 won for a week-long hospitalization after an operation.

This means that four months' wages are not enough for a worker with a monthly income of 200,000 to pay these hospital fees.

There are many myon (sub-county) and islands without a doctor in South Korea.

Such different realities seen through health care clearly show which society is for the working people.

Council of Former ROK Politicians in North Issues Statement

*SK2103111593 Pyongyang KCNA in English 0909
GMT 21 Mar 93*

[All quotation marks as received]

[Text] Pyongyang, March 21 (KCNA)—The consultative council of former South Korean politicians in the North for the promotion of peaceful reunification in a statement March 20 stressed that the Democratic People's Republic of Korea's step of withdrawing from the Nuclear Nonproliferation Treaty is a patriotic one to save the entire fellow countrymen from the danger of war and defend the national dignity and right to live and a most just step to safeguard the socialism of *chuche*.

The statement said:

"It is a great mistake if the U.S. imperialists and other imperialist reactionaries think they can bring our republic to its knees by any coercive means.

"The United States and the International Atomic Energy Agency must admit that they unjustly adopted the 'resolution on special inspection' on the basis of the false 'information' under the manipulation of the U.S. imperialists and give up at once their attempt to put any 'pressure' and take 'sanctions' against our republic.

"The South Korean authorities must desist from unpardonable anti-national acts of flunkeyist treachery which would make our nation a victim of big powers, 'welcoming' and 'supporting' the "special inspection" on our republic together with the U.S. imperialist aggressors.

"All the political and public figures in South Korea should correctly distinguish between the conflicting two stands and lines of patriotism and treachery, national independence and dependence on foreign forces and vigorously turn out in the anti-U.S., anti-war, anti-nuke struggle under the banner of independence, peace and great national unity.

"The consultative council of former South Korean politicians in the North for the promotion of peaceful reunification and its members will vigorously struggle, with the entire fellow countrymen, to smash the reckless moves of the United States and the South Korean authorities against peace and reunification".

U.S.-ROK Joint Team Spirit Exercise Reported

KCNA Notes 21 Mar Activity

*SK2303055193 Pyongyang KCNA in English 0441
GMT 23 Mar 93*

[Text] Pyongyang, March 23 (KCNA)—The U.S. imperialist aggressors and the South Korean puppets on March 21 staged a provocative air war exercise against

the North in the skies above Anmyon Islet, Pyongtaek, Yaju and Yanggu in South Korea, according to military sources.

The war game held as part of the "Team Spirit 93" involved overseas-based strategic and other fighter-bombers of different types deployed at air bases in South Korea and various kinds of fighter planes belonging to the U.S. Airforce stationed in South Korea and the puppet airforce, more than 200 all told.

On the same day, expeditionary marine units of the U.S. imperialist aggression forces and the puppet marines staged an exercise of assault on cities in an area similar to the coastal area of the northern half of Korea with the support of helicopter gunships and assault planes.

In separate action that day, groups of puppet army's tanks and artillery units whipped up an atmosphere of war with gunfiring exercises in Military Demarcation Line [MDL] areas, such as Paju and Yonchon counties, Kyonggi Province, and Cholwon county, South Korean Kangwon Province.

A unit of the puppet army entrenched in a combat position in Paekryon-ri, Paju county, an area adjacent to the demilitarized zone on the MDL, fired more than 500 bullets at random on the same day.

International Groups Denounce Exercise

SK2303105493 *Pyongyang KCNA in English 1024 GMT 23 Mar 93*

[Text] Pyongyang, March 23 (KCNA)—Political parties of different countries denounced the "Team Spirit 93" joint military manoeuvres of the United States and the South Korean authorities.

A rally was held in front of the U.S. Consulate in St. Petersburg on March 15, attended by representatives of eight political parties and organizations including the All-union Bolshevik Communist Party of Russia, the Russian Communist Workers' Party, the Working Leningrad, the Front of Workers' Federation, the Liberal Democratic Party and Women Organization, together with citizens.

The participants set the Stars and Stripes on fire, chanting slogans "The United States, take hands off Korea".

A letter of protest to President Clinton was handed to the U.S. Consul.

The Executive Committee of the C.C. [Central Committee], the Communist Party of Uruguay in a statement March 12 scathingly denounced the "Team Spirit 93" war game, considering it an aggressive move violating peace and the self-determination of the people and threatening the Korean people.

The general secretary of the C.C., the Communist Party of Colombia [CPC] in a press statement "the CPC calls for an immediate stop to the new provocative military exercises of

the United States and South Korea against the DPRK" charged that the "Team Spirit" staged by the U.S. imperialists in league with the South Korean puppets is aiming to frustrate the implementation of the agreement for the peaceful reunification of Korea. The Bangladesh People's League in a statement on March 13 expressed support to the order of Marshal Kim Chong-il, supreme commander of the Korean People's Army, on declaring a semi-war state under the grave situation created by the "Team Spirit 93" joint military manoeuvres.

We also fully support the step taken by the government of the Democratic People's Republic of Korea to withdraw from the Nuclear Nonproliferation Treaty (NPT), it said.

Statements or press statements denouncing this military rehearsal were also published by Vincent Cabrera, acting leader of the February 18th movement of Trinidad and Tobago, the Bangladesh National Socialist Party and Dag Norum, chairman of the Ostfold County Committee of the Norwegian Communist Party.

Radio Criticizes U.S. 'Imperialist Aggressors'

SK2303022293 *Pyongyang Korean Central Broadcasting Network in Korean 0946 GMT 17 Mar 93*

[Unattributed talk: "The U.S. Imperialists Should Not Run Amok Recklessly"]

[Text] The dear leader Comrade Kim Chong-il has pointed out: Although the U.S. imperialists are currently being pretentious with an atomic bomb, there is nothing to be afraid of.

Hostility towards the U.S. imperialists is rising endlessly with each passing day in the hearts of our people and the soldiers of the People's Army and has been set ablaze everywhere with the news of the respected and beloved comrade supreme commander's order. Embraced with the fighting spirit to smash the enemies, rays of the tens of thousands and millions of ranks of the revengers are emanating throughout this land. How can this compare with the strong eruption of a volcano, a violent storm, and an angry sea? Voices of the earth's companions and man's conscience also echo throughout the world in response to this outburst of anger.

The heroic fighters of the 1950's who plowed their way through the explosive fires of Nakdong River said: We are always keeping in mind of the record of revenge which we were not able to fill in the 1950's. If the U.S. imperialist aggressors once again kindle the fire of a war of aggression, we will become human bombs and bullets to completely annihilate the enemies on this land and completely fill up the record of revenge which was not completed.

The U.S. imperialists should not run amok recklessly. This is the decisive will of the one-a-match-for-100 fighters who received the respected and beloved comrade supreme commander's order.

When looking back upon the past, the history of the U.S. imperialists' aggression on Korea was filled with crime. The heinous U.S. imperialists unfolded the criminal history of aggression on Korea by illegally infiltrating the pirate ship, Sherman, into our sacred territory.

Our valiant people headed by Mr. (Kim Hyong-ku), an enthusiastic patriot, drowned the gang of pirates in the Taedong River and gave a grave warning to the U.S. imperialist aggressors who were after Korea. Rather than finding a lesson from the shameful disastrous defeat, the U.S. imperialists did not throw away their wild ambition of invading Korea.

Acts of aggression and plunder by the U.S. imperialists, which were conducted frantically by viciously driving groups of thieves and vessels into this land, are truly innumerable. After the fatherland's liberation, in place of the defeated Japanese imperialists, the U.S. imperialists trampled all of South by their military shoes. This triggered the history of the U.S. imperialists' aggression on Korea to become all the more stained with the dark blood of crime.

Aggression and plunder are the U.S. imperialists' inherent nature. At dawn on 25 June 1950, the U.S. imperialists shouted that the North Korean army will collapse and war in Korea will end within a few days. Thus, they fired the shells of war on this land where songs of creation and happiness were highly resounding. They fired naval guns and dropped bombs.

Under the fantasy of a blitz warfare, the U.S. imperialists thrust some two million forces and up-to-date massacre weapons on a large-scale into the Korean front, and they even unhesitatingly used chemical and bacterial weapons. What a barbarously destructive and murderous war it was.

Heinous U.S. imperialists exaggerate about the largest strategic bombing which turned 78 cities of the northern half of the Republic and houses of remote and secluded places in the mountains into ashes. They committed a most wicked, destructive war by even dropping bombs into Pyongyang equaling the population of Pyongyang in frequency. Indeed, in the history of war, has there ever been a more barbarous and indiscriminately destructive war in the world?

The U.S. imperialist cannibals killed the American Indians and fluttered the Stars and Stripes at the price of their blood. How can this mass slaughter, which is being further carried out on this land by their descendants through the barbarous nature of this evil practice, be expressed in writing or words? The terrible scene of Sinchon county in which one fourth of the people in the county—that is about 35,000 people—were indiscriminately killed amid the frenzy of blood, vividly remain in the memory of our people and mankind.

The U.S. imperialists' fantasy was to swallow up our young republic through the most barbaric, murderous, and destructive war, unprecedented in the history of war.

How did this fantasy end? Under the wise leadership of the respected and beloved leader, the ever-victorious iron-willed commander and the great military strategist, the U.S. imperialists were disgraced in front of our people and the People's Army, which consistently launched itself into the sacred war of smashing the enemies. This resulted in millions of casualties and made them fall to their knees while flying a white flag of surrender.

How did the U.S. imperialists, who did not know about defeat in their history of war, come to be ruined in Korea where fire collides with fire? The U.S. imperialists seriously miscalculated when they dared to challenge the great *chuche* Korea.

As soon as the U.S. imperialists stirred up the hornets' nest of war, the heroic People's Army immediately counterattacked. Therefore, Seoul collapsed in three days, and the U.S. imperialists' [word indistinct] division fell over on their heels in Taejon.

The technological myth of America fell apart when confronted with the great leader's *chuche*-oriented and creative strategy and tactics. Military operations by the U.S. imperialists, such as an all-out offensive, the (?autumn) attack, and new attacks, were dispersed like dead leaves in Hamjon valley.

The so-called generals of the U.S. imperialists including MacArthur, Ridgeway, Van Fleet, Walker, and Clark were degraded as generals of a lost war. The U.S. imperialists' arrogant haughtiness and boasting of being the world's most powerful country during the Korean war was dampened, and the myth of its power was knocked down.

When the drum of victory of heroic Korea resounded throughout the country, the U.S. imperialists wrapped their unhealing wounds with the Stars and Stripes that was torn to pieces and wrote in the book "On the Undisclosed History of the Korean War": The Korean People's Army was victorious because of General Kim Il-song's competent command. Until the defeat of Japan in World War II, General Kim Il-song was a leader [yongdoja] of the guerrilla unit fighting against the Japanese Army and made magnificent achievements. General Kim Il-song earned respect from all people, and he became a symbol of patriotic acts.

This was the reason the U.S. imperialists gave for their great defeat in the Korean war, a defeat that could not be changed for the first time in history. A coyote does not lose the taste of blood even if its teeth are broken, but raves to the last. Even though the U.S. imperialists suffered a blow in the Korean war and rode the slide of defeat, they were not able to wake up from the ambition to invade the North and were continuously kindling the flames of war. Each time, the U.S. imperialists bumped into the wall of self-defense, thus suffering a severe blow.

The fate of the Pueblo, an armed espionage ship, the EC-121, and [word indistinct] all prove this. In revenge

against revenge, an all-out war against an all-out war, we gave shame and humiliating defeat to the aggressors and provokers with self-defensive iron-will and gave the U.S. imperialists a stern warning.

How far has the invariable, aggressive nature of the U.S. imperialists come today? The U.S. imperialists are frenziedly running amok recklessly to provoke a war by bringing in the numerous aggressive armed forces including hundreds of combat vessels like an aircraft carrier battle group of the Seventh Fleet, the B-1B strategic bombers, the Stealth fighter-bombers, vertical take-off and landing planes, and unmanned aerial reconnaissance planes.

At this hour, the aerial bandits carrying the aggressive murderous bombs are emitting black smoke in the skies of South Korea. The aggressive fleets carrying a flock of crows [as heard] are hanging around in Korean waters. Who can guarantee that ravages of war will not be repeated in this land? The danger of war on this land will never disappear unless the U.S. imperialists die for good.

Hence, with guns loaded to annihilate the enemy and to give it death of hundredfold and thousandfold revenge, the one-a-match-for-a hundred fighters are keeping an eye on the U.S. imperialists who are frantically swaying the barrels of their blood-stained guns in the wild ambition to rule over the whole of Korea by holding half of the country's land. The entire unit of the Korean People's Army [KPA] where Comrade Um Kwang-sik serves scored an excellent result in a shelling exercise with burning animosity and hatred against the enemy. The soldiers of the KPA unit where Comrade Kim Sok-pong serves trained under the feeling that they were plunging a bayonet of revenge into the U.S. imperialists' breasts. By doing so, they again displayed the one-a-match-for-a hundred bravery of the past.

Moreover, the pilots of the Three Revolutions Red Flag unit where Comrade Tok Ko-chun serves, boosted the standard of their flying techniques to a higher stage through exercises in the most disadvantageous weather and complex circumstances. The marines of the unit where Comrade Chong Yong-taek serves sank its target deep into the angry sea with a single round of shellfire on a jet-black night. One can easily find this kind of miracle and innovation at any post. Our Red Worker-Peasant Militia and Red Youth Guards are also in combat mobilization posture filled with the burning animosity and hatred against the U.S. imperialist aggressors.

Truly, our country is brimming over with the stout spirit to annihilate the U.S. imperialists who are running amok recklessly with their maneuver to invade North Korea. Today's Korea is not what it used to be. The might of our people and the People's Army has grown incomparably strong. The indestructible unity and cohesion of our people and the People's Army united in one ideological will around the respected and beloved comrade supreme commander! A strong country of socialism of our own

style centered on popular masses glittering with independence, self-reliance, and self-reliant national defense!

Our people and the People's Army do not provoke anyone first, and never allow the enemy to invade an inch of our land or to damage even one of its plants. Blood for blood, fire for fire, this is the firm will of our people and the People's Army. There is no force in the world that will stand in the way of our people and the People's Army wisely led by the great military genius, the iron-willed, respected and beloved supreme commander Comrade Kim Chong-il.

The U.S. imperialists should squarely see the great number of fearful revengers in this land and should not run amok recklessly. If U.S. imperialists provoke a war of aggression again out of an anachronistic illusion despite our warning, our people and the soldiers of the People's Army will fight a staunch fight for the honor of the heroic Korea, the chuche Korea and thoroughly annihilate them so that none of them may survive to return home. In the life-and-death struggle with the U.S. imperialists, what we will lose is the cursed Military Demarcation Line and what we will gain is the achievement of reunification of our fatherland, a long-cherished desire of the entire nation.

Upholding the order of the respected and beloved comrade supreme commander, we should press ahead with the revolution and construction in an alert and mobilized posture.

Paper Urges 'Uncompromising Struggle' Against U.S.

SK2203053493 *Pyongyang Korean Central Broadcasting Network in Korean 0020 GMT 21 Mar 93*

[NODONG SINMUN 21 March editorial: "Let Us Wage a Vigorous Struggle Against Imperialism With an Uncompromising Struggle Spirit"]

[Text] Today, all the people uphold the respected and beloved comrade supreme commander's order in waging a vigorous struggle with burning animosity and hatred against the U.S. imperialists and the South Korean puppet clique. It is an important matter for the party members and working people to cherish the uncompromising struggle spirit against imperialism deeper in their hearts to resolutely check and frustrate the reckless new war provocation maneuvers of the imperialists and their stooges and defend and adhere to the socialism of our own style.

The dear leader Comrade Kim Chong-il has noted: In conducting class indoctrination, we should pay deep attention to the indoctrination of all the party members and working people so that they may endlessly hate imperialism and the exploiting system and wage an uncompromising struggle against them.

The burning animosity toward imperialism and the spirit of uncompromising struggle is the spirit peculiar to

people engaged in revolution. The revolutionary people who struggle for the victorious advance and completion of the socialist cause should wage a resolute struggle with burning animosity and spirit of uncompromising struggle against imperialism so as to satisfactorily carry out their noble historical mission and tasks.

Today, the U.S. imperialists and the South Korean puppet clique are engaged in frenzied new war provocation maneuvers to obliterate our republic and its socialist system. The U.S. imperialists and the South Korean puppets are now foolishly maneuvering to wage aggression against our republic mobilizing enormous troops of hundreds of thousands of men and modern war means and to isolate, stifle, and blockade us so as to destroy the bastion of socialism. To check and frustrate the reckless aggression maneuvers of the U.S. imperialists and the South Korean puppet clique and firmly defend our republic and its socialist system, all the people should wage a vigorous struggle with the spirit of uncompromising struggle against imperialism.

The party members and working people should never forget that just as the wolf cannot be turned into a sheep, so the aggressive and exploitive nature of imperialism can never change. The aggressive and exploiting nature of imperialism has always remained the same. If there has been any change, it has been for greater cunningness and viciousness. All party members and working people should deeply bear in mind that aggression and plunder are imperialism's nature and way of life that can never change. They, therefore, should have the firm conviction to fight with the imperialists to the end.

The party members and working people should never forget that the U.S. imperialists, in particular, who have historically been imposing endless misfortune and suffering on our people, are sworn foes with whom they cannot live under the same sky, and should have a strong animosity and burning hatred. The party members and working people should also have the resolute anti-imperialist struggle spirit and the revolutionary principle-mindedness intolerant of any aggressive maneuvers of the imperialists and their stooges. In the fierce confrontation with the imperialists, the people's resolute anti-imperialist struggle spirit and revolutionary principle-mindedness are an important guarantee for victory.

It is the nature of imperialism and the mind of the wolf that the more the other side submits to them, the fiercer they become and the more they step up aggression and plundering. If one makes one concession to the imperialists today, one will have to give in to everything the next time. Therefore, one should not beg the imperialists for peace but win it through struggle. One should resolutely fight against the enemy's arrogant and rude aggression and interference maneuvers.

The new war provocation maneuvers and the brigandish nuclear inspection maneuvers which the enemies are frenziedly conducting today are an intolerable challenge to and infringement upon the sovereignty of our republic

and the dignity of our people. Our people can never tolerate the U.S. imperialists trampling over the sacred land of our fatherland and the infringement upon our people's sovereignty and the country's supreme interests. All party members and working people should have the resolute anti-imperialist revolutionary spirit to not tolerate any pressure, interference, and aggression maneuvers of the imperialists and to fight against them to the end.

Party members and working people should value our socialist fatherland and revolutionary gains like their lives and should have the stout will and invincible fighting spirit to resolutely defend and further glorify them at any cost.

Filled with faith in victory and optimism under any circumstances, they should have all the people adhere completely to the revolutionary principle while fighting to the end to deter and destroy the aggressive, interfering maneuvers of imperialists and their puppets.

Party members and working people should also have a good deal of fight and determination to settle a battle by splendidly fighting for the chuche Korea's dignity and the heroic people's honor in case the U.S. imperialists and South Korean puppet clique attack indiscreetly.

Our people value the national sovereignty and peace of the country. They do not want a war, but neither are they afraid of a war. They are the heroic people who smashed the 100,000-strong Japanese imperialist Kanto Army in the cold wind of Mt. Paektu and defeated the allied forces of 15 countries headed by U.S. imperialists in the Fatherland Liberation War.

Our people are well aware of the nature of imperialism, the enemy we confront, and of the way to our victory. All party members and working people should sternly face the U.S. imperialists and their puppets, our people's irreconcilable enemy, and should have courage and firm faith of certain victory in any battle against them.

All party members and working people should firmly prepare themselves politically, ideologically, militarily, and technologically so that they can annihilate the enemy by splendidly fighting for chuche Korea's dignity and the heroic people's honor if the U.S. imperialists and the South Korean authorities finally attack indiscreetly in spite of our severe warning.

When at a crucial point of a decisive battle, all party members and working people should fight with a death-defying spirit, shouting hurrah for General Kim Chong-il at the top of their voices, like their patriotic forefathers who ardently sacrificed their youth in the anti-Japanese revolution to shout hurrah for Hanbyol so as to firmly defend our party and socialist fatherland.

Party organizations should intensely carry out ideological indoctrination work for party members and working

people in various ways and forms so that they can stoutly fight with an uncompromising fighting spirit against imperialism.

By carrying out class indoctrination in line with the basic principle of the *chuche* idea, party organizations should have party members and working people learn the principles of revolution and class struggle and have them devote themselves to the struggle to oppose the imperialists' indiscreet aggression maneuvers.

Also, they should let party members and working people look straight at the shortcomings of the imperialists and their puppets, who are running amuck while indulging in bravado and bluster, and to firmly convince them of the enemy's inevitable ruin.

At the same time, by carrying class indoctrination in line with indoctrination of the revolutionary tradition, party organizations should make all the people follow the anti-Japanese revolutionary fighters' firm faith and invincible fighting spirit to smash the enemy for their lives.

The imperialist aggressors cannot dare to invade even an inch of our fatherland nor damage even one plant in it, when all the people stoutly fight with burning hostility against the enemy and with an uncompromising fighting spirit, firmly united around the respected and beloved comrade supreme commander.

Kim Il-song Receives Jiang Zemin, Yang Shangkun Reply

SK2303011193 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 20 Mar 93

[Text] Comrade Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee [C.C.] and president of the DPRK, received a reply message from the PRC's party and state leaders on his message of condolence to them on the death of Comrade Wang Zhen, PRC vice president.

The reply message is as follows:

Pyongyang

To Comrade Kim Il-song, general secretary of the WPK Central Committee and president of the DPRK:

We are deeply grateful for your message of condolence on the death of Comrade Wang Zhen, PRC vice president.

[Signed] Jiang Zemin, general secretary of the CPC C.C. Yang Shangkun, president of the PRC.

[Dated] 18 March 1993, Beijing.

Daily Views 'Military Moves' of Japan's SDF

SK2303115593 Pyongyang KCNA in English 1052 GMT 23 Mar 93

[“Japan's 'Self-Defense Forces' Ready To Jump Into Aggressive War Against Korea”—KCNA headline]

[Text] Pyongyang, March 23 (KCNA)—The Japanese “Self-Defense Forces” (SDF) was alerted when the “Team Spirit 93” joint military exercises were launched. Analysing this, a NODONG SINMUN article says: This indicates that the “SDF” would plunge itself into the war any time in case the joint war game went over to a real war.

The paper points out that Japan is waiting for a chance to promptly jump into a war on the Korean peninsula if the United States ignite it and thus realize its wild ambition to stage a comeback to Korea.

This is proven by the military moves of the “SDF” in recent years, it says, and continues:

The “SDF” largely deployed in Hokkaido has been transferred to Southwestern Japan facing Korea after the cold war ended.

The “SDF” is openly staging landing exercises in the area near our country. It has gone the length of staging combined military drills involving the three services. Studies for mountain and landing operations under the topographical and climatic conditions of Korea are being briskly made by the “SDF”.

It must not go unnoticed that the “SDF” stages naval and airforce manoeuvres in the South Western Japan with the U.S. forces each time the “Team Spirit” joint military exercises are under way.

The U.S.-Japan joint military exercises continue this year, too.

All this tells that the “SDF” is playing an important role by taking charge of the rear and flank in the “Team Spirit” manoeuvres.

Such moves of the “SDF” which is ready to hurl itself into an aggressive war against Korea any moment are a very dangerous action.

The Japanese reactionaries must clearly know that they cannot threaten the Korean people and stifle Korean-style socialism with anything.

Kim Chong-il Receives Message From PLO's 'Arafat

SK2203113993 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 18 Mar 93

[Message from Yasir 'Arafat, president of the state of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization, to Kim Chong-il, member of the Presidium of the Political Bureau of the Workers Party of Korea and secretary of the party Central Committee]

[Text] Your Excellency Comrade Marshal Kim Chong-il, member of the Presidium of the Political Bureau of the

Workers Party of Korea [WPK], secretary of the party Central Committee, and supreme commander of the Korean People's Army:

Regarding the grave situation on the Korean peninsula because of the Team Spirit-93 joint military exercise: On behalf of our Palestinian people and members of the Executive Committee of the Palestine Liberation Organization, who are my brothers, I express firm support and solidarity to Your Excellency, and, through Your Excellency, to your militant party and to the friendly DPRK Government and people.

The joint military exercise that the United States and South Korea are conducting as a campaign against the DPRK is an aggressive act. It threatens the Korean peninsula and the rest of the Asian region as well as international peace, security, and stability. The joint military exercise prevents the national reunification of the Korean people.

The International Atomic Energy Agency [IAEA] adopted the resolution to enforce special inspections of the DPRK military sites [kunsu taesang] at the Board of Governors meeting. This illustrates the dual policy that the IAEA has employed in various regions of the world, including the Middle East.

I am convinced that, under the wise and powerful leadership of His Excellency the great leader Comrade Kim Il-sung and Your Excellency, the WPK and the DPRK Government and people will cope with the dangerous situation on the Korean peninsula. I am also convinced that the WPK and the DPRK Government and people will constantly promote a Korean-style socialism and achieve national reunification based on the principle of national independence.

I affirm that progressive people all over the world, including our Palestinian people, and all forces that love peace, justice, and freedom will stand with Your Excellency to oppose any aggression against the friendly DPRK. I also affirm that they will express full support and solidarity for Your Excellency's efforts to withdraw nuclear weapons and the weapons of mass destructions from the Korean peninsula; to secure peace, stability, and security there; and to achieve the peaceful reunification and prosperity of the country.

I wish Your Excellency long life and good health, happiness, success in the work for the noble national cause, and constant progress and prosperity for your country's people.

I again wholeheartedly wish Your Excellency long life and good health.

The revolution should continue until it is victorious.

[Signed] Yasir 'Arafat, president of the state of Palestine and chairman of the PLO Executive Committee

[Dated] 12 Mar 1993, Tunis

Zambian Parliament Supports DPRK Withdrawal

SK2203063993 Pyongyang KCNA in English 0535
GMT 22 Mar 93

[Text] Pyongyang, March 22 (KCNA)—The Zambian parliament sent a note to the Korean Embassy in Zambia on March 16 regarding the statement of the government of the Democratic People's Republic of Korea.

Stating that the "Team Spirit" joint military manoeuvres of the United States and South Korea and the attitude of the International Atomic Energy Agency (IAEA) toward the issue of nuclear inspection presented a threat to the Korean people, the note expressed full sympathy for the stand of the DPRK Government in deciding to withdraw from the Nuclear Nonproliferation Treaty (NPT).

Daily Urges People To Defend 'Korean-Style' Socialism

SK2303103793 Pyongyang KCNA in English 1005
GMT 23 Mar 93

["NODONG SINMUN Calls for Glorifying Korean-style Socialism Through Strict Application of Chuche Idea"—KCNA headline]

[Text] Pyongyang, March 23 (KCNA)—NODONG SINMUN today editorially calls upon the entire party members and working people to resolutely defend and glorify Korean-style socialism by strictly applying the chuche idea in all domains of the revolution and construction.

The editorial says:

To uphold the banner of the chuche idea is an important requirement for smashing the grave new war provocation moves of the U.S. imperialists and the South Korean puppet clique and resolutely defending Korean-style socialism in hearty response to the order of respected comrade supreme commander.

When the entire people resolutely fight with one idea and purpose, deeply trusting only their party and leader as indicated by the chuche idea, they will have nothing to fear and can firmly defend their socialist motherland, whatever formidable enemy may pounce upon them.

The more strained the situation becomes, the more strictly the entire party members and working people should apply the chuche idea in all domains of the revolution and construction, resolutely defending and glorifying Korean socialism.

In order to fully apply the chuche idea, all the party members and other working people should consistently and thoroughly implement the chuche-oriented lines and principles of the Workers' Party of Korea and steadfastly maintain the purity of the chuche idea with unshakable faith in chuche.

Self-reliance is the only correct road which makes it possible to defend and advance socialism, decisively frustrating any challenge and war provocation move of the imperialists, the editorial says, and calls for effecting a great upsurge in grand socialist construction by bringing the revolutionary spirit of self-reliance into full play.

Housing Construction Workers Surpass Quotas

SK2303042293 *Pyongyang KCNA in English 1510*
GMT 22 Mar 93

[Text] Pyongyang, March 22 (KCNA)—The builders in the capital city of Korea are effecting new innovations in the building of 30,000 flats, upholding the order of Comrade Kim Chong-il, supreme commander of the Korean People's Army, declaring a state of semi-war to the whole country, all the people and entire army. They are carrying out their daily frame assembling plan at 150 percent and the interior finishing plan 130 percent.

The North Hamgyong provincial youth construction corps overfulfilled the plan by 50 percent on March 9, the first day of the semi-war state by simultaneously pushing ahead with frame assembling and the interior finishing work of apartment houses for 345 families in Tongil street and continue effecting innovations in high spirits.

The Pyongyang municipal Youth Construction Corps is fulfilling their assignments at 150 or 200 percent in inside wall plastering and roofing and shortening the period by far in laying heating pipes and fixing windows.

Houses for 50,000 flats were completed in the first two years of the 90s in capital and the projects began in May last year to build flats of 30,000 more families before July 27 this year in which falls the 40th anniversary of the victory of the Korean people in the fatherland liberation war.

The builders have finished the frame assembling of houses for over 29,000 families and completed flats for thousands of families over the past ten months or more. When the construction of the houses for 30,000 families, the monument to the victorious fatherland liberation war and other units are completed, Pyongyang will assume more grand and beautiful looks.

KCNA Reports Production 'Upswing' in Economy

SK2303110893 *Pyongyang KCNA in English 1035*
GMT 23 Mar 93

[Text] Pyongyang, March 23 (KCNA)—An upswing in production has been reported from different units of the national economy in Korea which is now in a state of semi-war.

In the last fortnight the timber producers under the Ministry of Forestry increased the production of timber by 40 percent and that of mine props twice as compared with the same period last year.

The North Hamgyong Provincial Forestry Administration has these days more than doubled its daily output, thereby producing respectively 7,500 and 4,800 more cubic metres of timber and props than in the corresponding time last year.

The "Cha Kwang-su Youth Shock Brigade" and "Kim Hyok Youth Shock Brigade" of young miners and even the "Veterans Death-Defying Corps" have been formed at many coal fields including the Anju District Coal Mining Complex and daily coal production quotas are being overfulfilled by more than 20 percent.

Rural communities including the Chongsan Cooperative Farm in Kangso District, Nampo Municipality, and the Changchon Cooperative farm in Sadong District, Pyongyang, are fulfilling their daily assignments of sowing at more than 200 percent in the spirit with which they ensured wartime food production.

KCNA Lauds Tax-Free Society in North

SK2003152993 *Pyongyang KCNA in English 1521*
GMT 20 Mar 93

[Text] Pyongyang, March 20 (KCNA)—The word of tax is gradually fading out of the memory of the people and the younger generation does not know what it means in the Democratic People's Republic of Korea.

A tax-free country—this is a true feature of the Korean-style socialist system centered on the popular masses.

The great leader Comrade Kim Il-song has said:

"...The people's dream to live in a tax-free society has come true, and ours has become the first tax-free country in the world."

The great leader Comrade Kim Il-song stipulated in "the ten-point programme of the association for the restoration of the Fatherland" (May, 1936) which he published in the period of the anti-Japanese revolutionary struggle that the people should be freed from the miscellaneous taxes.

After the liberation of the country on August 15, 1945, more than 50 kinds of miscellaneous taxes were abolished and the taxes were unified with the abolition of the predatory tax system of the Japanese imperialists and the establishment of a popular and democratic tax system.

The state lowered the burden of income tax of the factory and office workers by 30 percent and drastically cut the taxes on handicraftsmen, entrepreneurs and traders in 1955 after the war and lowered the rate of the agricultural tax in kind from 25 percent of the harvest to an average of 20.1 percent and again to 8.4 percent in 1959.

The agricultural tax in kind which was introduced shortly after the country's liberation was completely abolished in the three year period from 1964 to 1966 according to "Theses on the Socialist Rural Question in Our Country" published by the great leader Comrade Kim Il-song.

With the abrogation of the agricultural tax in kind, there remained only the income tax and the negligible local self-government tax in the DPRK and the tax from the people accounted for less than 2 percent of the budgetary revenue of the state.

The DPRK Government took a measure to abolish them, too. A law on the complete abolition of the tax system was proclaimed at the third session of the fifth Supreme People's Assembly on March 21, 1974, and was strictly enforced from April 1 that year.

In a decree of the Central People's Committee on February 26, 1974, Korea took a step of reducing the prices of manufactured goods by an average of 30 percent, or by 50 percent at maximum from the first of March that year.

As a result of the abolition of the taxes and the price cut, the real income of the factory and office workers was up 50 percent and that of the farmers up 60 percent in 1974 from 1970.

After the complete repeal of the taxes, the DPRK Government, with the growth of the budgetary revenue, channelled much funds to the improvement of the people's living, constantly promoting the material welfare of the working people.

Free accommodation at sanatoria and holiday homes, paid leave and labour protection are in force at the state expense and, in particular, the social benefits for the women and children have increased systematically.

The benefits granted by the state are found in every aspect of life in the form of universal and complete free medical care and free education and the construction of hundreds of thousands of flats every year and their free distribution.

Daily Hails 'Invincible' People's Army

SK2103104693 Pyongyang Korean Central Broadcasting Network in Korean 0040 GMT 19 Mar 93

[NODONG SINMUN 19 March special article: "Our People's Army Is an Invincible Revolutionary Armed Forces Capable of Defeating Any Strong Enemy"]

[Text] Upholding the order of the respected and beloved Supreme Commander Comrade Kim Chong-il, the faith and will of our People's Army officers and men to resolutely defend the party, the leader, and our socialist fatherland from any enemy's aggression is firm and steadfast.

Our People's Army is firmly prepared politically, ideologically, militarily, and technologically. With a heightened revolutionary sense of warning, it is closely watching the enemy every moment and is in a state of complete combat mobilization in order to defeat the enemy with a single blow whenever it attacks.

Our party and people are very proud of having the ever-victorious revolutionary armed forces, which is

capable of defeating any strong enemy. These forces are also a great strength in firmly defending socialism of our own style.

Comrade Kim Chong-il, respected and beloved supreme commander, noted in his order: Our People's Army has grown to be an ever-victorious armed force prepared with modern offensive and defensive measures. We have made enough preparations to defeat any aggressors with a single blow by arming all of the people and making the entire country a fortress.

The might of the revolutionary armed forces lies in the greatness of the leader and the supreme commander. The revolutionary army, the working class army, is the leader's army. The revolutionary army was founded by the leader and has been constantly strengthened and developed by the leader's wise leadership.

Military construction and military activities by a revolutionary army are struggles to realize its leader's strategic military ideas and intent. Thus, a revolutionary army should uphold a military genius, a great iron-willed general, as its supreme commander in order to win fights with the enemy and to be constantly strengthened and developed.

Our People's Army is an honorable armed force upholding the dear leader Comrade Kim Chong-il, who is a great, ever-victorious, iron-willed general, as the supreme commander. Our People's Army was founded, has constantly been strengthened and developed, and has walked along the single road of victory and glory because it upholds the respected and beloved leader Comrade Kim Il-song.

Our army smashed the Japanese imperialists' 1 million-strong Kanto Army in the cold wind at Mt. Paektu and defeated the allied forces of 15 countries led by U.S. imperialists in the gunsmoke and rain of shells in the Fatherland Liberation War, upholding the respected and beloved leader.

Our People's Army has been tested and seasoned politically, ideologically, militarily, and technologically in a revolutionary storm raised in our country, through a fierce class struggle to put down the overturned exploiting class's riot, and in frenzied gunfire that defeated foreign imperialist aggressors. It has grown to be strong armed forces with abundant experience.

The might of our People's Army, which has been firmly hardened through arduous struggle, becomes more invincible because it upholds the dear leader Comrade Kim Chong-il as the supreme commander.

In an early stage, the dear leader Comrade Kim Chong-il formulated the policy to model the entire army after the *chuche* idea and has wisely led military construction and military activities.

Due to the dear comrade leader's extraordinary military wisdom, excellent tactic strategies, and experienced military leadership, our People's Army has been strengthened and developed to be invincible armed forces firmly prepared politically, ideologically, militarily, and technologically.

Because it upholds the dear leader Comrade Kim Chong-il, a military genius with both literary and military accomplishments, as the Korean People's Army supreme commander, our army can enter a new golden age in strengthening and developing itself.

Above all, the ever-victorious might of our People's Army lies in its firm faith and will to resolutely defend the party and the leader and in its political and ideological superiority. The war against the enemies is not only a confrontation between the armed forces but also a confrontation between ideologies.

The revolutionary army are the troops who smash the enemies' numerical and technological superiority with political and ideological superiority. The revolutionary army, which has the political and ideological obligation to defend and safeguard the party, the leader, the fatherland, and the people, can defeat the enemies no matter how strong they might be. Thus, the revolutionary army can win a victory anywhere.

The ideological and moral consciousness of our People's Army's soldiers is very great. Pak Yong-chol and his seven brothers, who are military officers, sent a letter to the respected and beloved Supreme Commander Comrade Kim Chong-il last year, expressing their firm resolve to be eight rifles and eight bombs to defend the party and the leader. This reflects precisely the unanimous faith of the People's Army's soldiers.

Our People's Army's soldiers are brimming over with the resolute obligation to fight to defend and safeguard the dear leader Comrade Kim Chong-il, like the heroes Kim Chin and Yi Su-pok, who faced the enemies' rifles with their burning energy.

To implement the respected and beloved supreme commander comrade's order, our entire army rises up as one. The entire army is full of the confident fighting spirit to defeat the aggressors at one blow.

Our people are singleheartedly united in boundless loyalty to the party and the leader. The unity between officers and men as well as the unity between the party members and the members of the League of the Socialist Working Youth of Korea has been brilliantly realized. As a result, all soldiers are firmly united with revolutionary fidelity and camaraderie.

By thoroughly carrying out our party's ideology of army-people unity, the blood ties between the army and the people are strengthened even more.

All of the People's Army's ranks reflect laudable and noble traits, like camaraderie, discipline, and army-people unity. This is a characteristic of our People's

Army, which no imperialists' aggression forces can have. Because the People's Army has this kind of political and moral superiority, it does not fear any confrontation with any strong enemies. It can confidently defeat the aggression forces and their technological and numerical superiority.

In addition, the invincible might of our People's Army lies in the fact that our People's Army has been firmly indoctrinated in military technique. Ultramodern military science and modern weapons are employed in a current war. Thus, only when the revolutionary army is prepared politically, ideologically, militarily, and technologically can it be victorious in war.

Our People's Army is widely known as proud one-a-match-for-a-hundred revolutionary armed forces equipped with modern offensive and defensive means. The People's Army is armed with ultramodern weapons, and all soldiers are learning modern military science and technology. This is why our army can confidently defeat any imperialists' forces in any circumstances.

Our party adopted early the policy of modernizing the entire army and has put great efforts into improving the People's Army's armed equipment.

Our country used to have only a few small military plants that could produce rifles. Today, thanks to our country's wise leadership, we can manufacture various modern weapons and militant technical equipment needed for defending the fatherland by ourselves. This is the result of great efforts. If we had put those efforts into economic construction, our national economy would have developed more rapidly, and the people's living standard would be more improved.

However, we could not give up the basic revolutionary idea for the sake of temporary conveniences. We did not want the fate of being a nation ruined by the imperialists.

During the many difficulties in developing the economy and improving the people's living standard, our party has put great efforts into firmly defending the fatherland. Our party's leadership has led our People's Army to arm itself with modern equipment so that it is prepared militarily and technologically.

By mobilizing modern war equipment and weapons of mass destruction, the imperialists are trying to threaten and stifle us. However, our People's Army and the people are coping indomitably with the imperialists' attempt without even the slightest fear. This clearly demonstrates the wise leadership of our party, which has early put forth and brilliantly realized the policy of modernizing the entire army.

The ever-victorious might of our People's Army's lies in the fact that the ranks of the People's Army are firmly organized by the revolutionary corps and that they have been constantly strengthened by the new generations which received the chuche-oriented education.

An organization of quality ranks is important if an army is to be mighty. A revolutionary army firmly equipped with a revolutionary core never flutters in severe trials and can retain its revolutionary trait to the end.

Our People's Army has a revolutionary core that is firmly prepared politically, ideologically, militarily, and technologically to fight faithfully to the end, upholding the respected and beloved Supreme Commander Comrade Kim Chong-il.

When our army was being strengthened and developed into regular armed forces, its revolutionary core consisted of thousands who were seasoned by severe revolutionary trials. This core played an important role in smashing the U.S. imperialists in the Fatherland Liberation War.

The People's Army has many in its revolutionary core now, including the old fighters who participated in the anti-Japanese struggle, following the great general, and the old soldiers who have been seasoned in the flame of the Fatherland Liberation War.

Our People's Army is prepared with excellent military and political cadres in all branches of armed services. The revolutionary cadres of the People's Army are our army's valuable core that cannot be bartered for anything, and they are the most valuable asset in enabling the army to win battles against any enemy.

At the same time that a revolutionary core of cadres of the People's Army has been secured, the quality of the organization of the army ranks has been strengthened. Our People's Army is now composed of excellent sons and daughters of the working people, including workers, farmers, and intellectuals. In particular, our army is constantly recruiting soldiers from the younger generations who have grown up in our party's bosom and received a chuche-oriented education.

Many young people are enthusiastically volunteering to join the People's Army, upholding the order of the respected and beloved comrade supreme commander. This reinforces our army's might.

The change of generations has been made in our People's Army, whose main forces are younger generation soldiers who are standing with guns at fortresses where their parents stood. Our young soldiers have never crossed a river in flames nor been exploited and pressured, but they know well how great and grateful the benevolence of the party and the leader is and how precious their socialist fatherland is.

It is a resolute will of the younger generation soldiers to devote all of their ardent youth to firmly defending and protecting the chuche socialist fatherland built by the first and second generations of our revolution.

Not only has our People's Army been firmly prepared with invincible revolutionary armed forces, but all of the people are armed and the entire country has become a

fortress. The might of our all-people, all-state defense system is firmly guaranteed.

Today the U.S. imperialists and the South Korean puppet clique are madly running around with a new war provocation maneuver, but the enemy has made a wrong estimate. Our people are not surprised at the enemy's war exercise to which a large force hundreds of thousands strong and weapons of mass death are mobilized. And our People's Army will never go backward in fear of war.

We can say with daring that we are capable of winning victories by smashing any aggressors without difficulty as long as we uphold the respected and beloved Supreme Commander Comrade Kim Chong-il, an ever-victorious, iron-willed sagacious general, and as long as we have the invincible People's Army which is firmly prepared politically, ideologically, militarily, and technologically.

KCNA Reviews 22 Mar NODONG SINMUN

SK2203104893 Pyongyang KCNA in English 1019
GMT 22 Mar 93

[Text] Pyongyang, March 22 (KCNA)—NODONG SINMUN today carries a message to Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent by Comrade Jiang Zemin, general secretary of the C.C., Communist Party of China, and Comrade Yang Shangkun, president of the People's Republic of China, in reply to his message of condolences to them upon the death of Vice-president of PRC Wang Zhen.

Printed in the daily is a message of greetings President Kim Il-song sent to Cheddi Jagan, general secretary of the People's Progressive Party of Guyana and president of the Cooperative Republic of Guyana, on his 75th birthday.

The paper reports that the Korean film "Grand Celebrations of the 80th Birthday of the Great Leader" was screened in Tanzania.

Edited in it are solidarity messages to the dear leader Comrade Kim Chong-il sent by foreign parties and party leaders in denunciation of the "Team Spirit 93" joint military exercises by the U.S. and the South Korean authorities.

According to the paper, SEOUL SINMUN carried a picture of "Kimchongilia" and a photo show introducing "Kimchongilia" was held in Zimbabwe.

Comrade Kim Chong-il has built up the Korean People's Army [KPA] into the revolutionary Armed Forces each member of which is a match for a hundred foes, the daily says.

It editorially calls for advancing with the confidence of sure victory under the guidance of the respected supreme commander.

Spotlighted in the paper is the report that some 1.5 million youth and students across the country volunteered to join or rejoin the Korean People's Army in ten days or more since the order of the supreme commander of the Korean People's Army was issued.

"Socialism Is Glorious Road of the Korean People's Life and Soul" is the title of a signed article of the paper.

The daily carries news of successes in the production of coal and timber and dispatches from the cooperative farms which are busy with sowing seeds.

It observes the fishermen's day.

Under the headline "Let Us All Learn From Unshakable Revolutionary Faith and Will" the paper conveys what party members and other working people said after welcoming Comrade Yi In-mo, a former war correspondent of the KPA, an incarnation of faith and will, who returned home, remaining faithful to his principle as a Korean revolutionary to the last.

Given in the paper are a statement released by the Central Committee of the General Federation of Unions of Literature and Arts of Korea in support to the government's statement on withdrawing from the Nuclear Nonproliferation Treaty, public voices at home and abroad supporting the statement and a by-lined article entitled "The Patriotic Decision To Safeguard the Supreme Interests of the Country".

South Korean news of the paper includes a report that representatives of more than 300 trade unions in Seoul demanded the authorities to withdraw the scheme to malrevise [as received] "Labour Relations Act."

According to the daily, the general secretary of the C.C., Communist Party of Colombia published a statement, eleven political parties and public organizations of Pakistan and some 70 MPs [members of Parliament] of Nepal respectively issued statements and solidarity rallies were held in different countries to denounce the "Team Spirit".

The paper in a commentary lashes out at the moves in Japan to justify the compilation of the history textbook praising the crimes committed by the Japanese imperialists during World War II.

The Indian paper DELHI SAMACHAR exposed the crimes of Japan in the Korean war, it reports.

The paper carries news that ITAR-TASS news agency released a commentary on the results of the eighth non-regular meeting of the Russian people's deputies and informs the reading public of the situation in Cambodia with the general elections ahead.

Reviews 23 Mar Pyongyang Press

SK2303060993 Pyongyang KCNA in English 0515
GMT 23 Mar 93

[Press review]

[Text] Pyongyang, March 23 (KCNA)—NODONG SINMUN today carries a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Ghulam Ishaq Khan, president of the Islamic Republic of Pakistan, on the occasion of the day of Pakistan.

Printed in the paper are a letter to the great leader President Kim Il-song from the participants of a national seminar on the *chuche* idea and independence of France which was held in Paris and a solidarity letter to him from Tulsī Lal Amatya, chairman of the Nepal Communist Party (United), denouncing the clamor for "special inspection" of the DPRK and the "Team Spirit" joint military exercises.

The press dedicates articles to the 10th anniversary of the publication of President Kim Il-song's work "on effecting new turn in scientific research."

NODONG SINMUN informs the readers that a preparatory committee for celebrating April 15 was formed in Mozambique on the occasion of the birthday of President Kim Il-song.

Given in the press is news that Comrade Kim Chong-il, supreme commander of the Korean People's Army, received a letter from Syrian students studying at Korean schools and a message and letter from the CHOSON SINBO of the General Association of Korean Residents in Japan (Chongnyon) and a meeting of Koreans in Miyagi prefecture, Japan.

The dear leader Comrade Kim Chong-il sent thanks to the scientists of the Botanical Institute of the biological branch of the Academy of Sciences who have made great success in scientific research, says the press.

NODONG SINMUN reports that the Rwandan Committee for the Study of the *Chuche* Idea made public a statement supporting Comrade Kim Chong-il's work "abuses of socialism are intolerable."

Mr. Kim Hyong-chik, an outstanding leader of the Korean anti-Japanese national liberation movement and indomitable communist revolutionary fighter, formed the Korean National Association, one of the anti-Japanese underground revolutionary organisations, the biggest in scale, on March 23, 1917, says the press.

NODONG SINMUN editorially calls for further glorifying our-style socialism by applying the *chuche* idea to the letter.

Members of the League of Socialist Working youth and young people, 420,000 all told in capital, volunteered to join the Korean People's Army, resolved to defend Pyongyang as firm as an iron wall, says the paper.

Papers carry articles on comrade Yi In-mo, a former war correspondent of the Korean People's Army, the incarnation of faith and will and a proud son of the nation.

MINJU CHOSON editorially calls upon everyone to become an indomitable revolutionary soldier unfailingly loyal to the party and the leader by following the example of Yi In-mo.

Appearing in the press is news that the Central Standing Committee of Chongnyon sent a message congratulating Yi's repatriation, people in all parts of the country prepared all kinds of consolatory goods for him and people of all strata vowed to actively follow his example.

NODONG SINMUN informs the readers that parts 11 and 12 of multi-part feature film "The Nation and Destiny" depicting Yi In-mo have been released.

The paper runs an article exposing the anti-national, inhuman crimes of the successive ruling groups of South Korea who made Yi In-mo a disabled person.

It is reported in the press that the Sri Lankan President met with a Korean economic delegation and a new Korean ambassador presented his credentials to the federal president of Austria.

The U.S. imperialists and the South Korean puppets hurled some 8,500 military planes and more than 1,400 battle ships into the "Team Spirit 93" war exercises against the North in ten days, says the press.

Papers carry a statement issued by the consultative council of former South Korean politicians in the North for the promotion of peaceful reunification supporting the DPRK Government statement declaring its withdrawal from the Nuclear Nonproliferation Treaty, an account of an emergency meeting of the Political Bureau of the Central Committee of the new Communist Party of Great Britain and a joint statement of political parties of Madagascar and other repercussions from abroad.

The world public condemned the "Team Spirit 93" joint military exercises of the United States and the South Korean authorities, according to the press.

Papers observe the day of Pakistan.

MINJU CHOSON observes the 3rd anniversary of the independence of Namibia and the World Meteorologic Day.

NODONG SINMUN carries an article bringing to light the dangerous move of Japan to dispatch the Japanese "self-defence forces" to a war of aggression in Korea any time.

South Korea

Reaction to DPRK Treaty Withdrawal Continues

ROK, U.S. Seek 'Swift' Solution

SK2303024793 Seoul YONHAP in English 0231 GMT
23 Mar 93

[Text] United Nations, March 22 (YONHAP)—South Korea, the United States and Japan, holding out a carrot

to North Korea, agreed Monday to continue to open their doors to the communist country if it cooperates in clearing up international suspicions over its nuclear development program. The three countries, in a high-level working meeting at the U.S. mission to the United Nations, agreed to keep making efforts through every possible channel to make North Korea reverse its decision to leave the Nuclear Nonproliferation Treaty (NPT).

They agreed they would continue contacts with North Korea to improve relations, now deadlocked, if Pyongyang reversed its decision to withdraw from the NPT. Further, it was agreed to make joint endeavors with related countries to fulfill international will through the International Atomic Energy Agency (IAEA), or, if necessary, through the U.N. Security Council, if there is no progress with North Korea. They announced the positions after the meeting, which was attended by Sin Ki-pok, South Korea's first assistant foreign minister, U.S. Assistant Secretary of State for East Asian and Pacific Affairs William Clark, and Tadashi Ikeda, the Japanese Foreign Ministry's director-general for Asian Affairs.

The statement said the three countries concurred that North Korea's challenge not only endangered the worldwide nuclear nonproliferation system but posed a serious problem for peace and stability in Northeast Asia. Noting that North Korea's rejection of the IAEA inspections reduced its international credibility, the statement expressed regret over Pyongyang's attempts to gloss over the situation by presenting reasons unrelated to fundamental problems instead of trying to solve them. It said that the three countries would cope by cooperating closely for a swift and satisfactory solution to the problem.

Sin told reporters immediately after the meeting that the three shared the common expectation for China to help try to persuade North Korea to return to the treaty and faithfully abide by the inspections to get rid of suspicions because the issue was an international concern. Dimissing news reports that there were differences between Seoul and Washington on the issue, Sin said there was "complete" agreement on viewpoints, basic positions and methods in resolving the problem.

As to concrete measures to solve the problem, Sin said that they would make every effort through the IAEA, and if there was no progress they would turn the matter over to the Security Council. Sin refused to disclose concrete agreements reached during the closed-door meeting, implying that they might include measures to get North Korea to reverse its decision.

Minister Leaves for U.S. 23 Mar

SK2303065893 Seoul YONHAP in English 0354 GMT
23 Mar 93

[Text] Seoul, March 23 (YONHAP)—Foreign Minister Han Sung-chu said Tuesday he was optimistic that he

would get South Korea's position across in discussions on North Korea's nuclear development with the United States, Japan and international organizations. "The senior policy consultative meeting among South Korea, the United States and Japan on Monday brought satisfactory results on cooperation among the three countries," Han told an airport news conference as he left Seoul on a trip that will take him to the United Nations, Washington and Tokyo.

"Our intention is to employ every peaceful and diplomatic means to solve North Korea's nuclear problem and I am sure that I will achieve the aim of this trip of getting our position fully reflected (in talks with the United States and Japan)." "Multilateral ways through the International Atomic Energy Agency (IAEA) or U.N. Security Council and bilateral ways through dialogue between the United States and North Korea or dialogue between South and North Korea are all regarded as positive. On this, the United States has no dissenting view," Han said.

He said he was not carrying a concrete methodology for the solution of the issue with him on his 10-day trip. "The issue is so complex that we can be neither optimistic nor pessimistic," he said. Asked whether he would discuss Japanese Prime Minister Kiichi Miyazawa's visit to Seoul on his stop in Tokyo, he did not rule out the possibility. "It is our government's position that it is desirable to have a summit meeting between Seoul and Tokyo after pending issues between the two countries are solved and the climate is created. If the prospects are seen in talks with the Japanese leaders that the issues, like comfort women, can be solved, I do not rule out the possibility."

On Japanese compensation for comfort women, who were forced to serve sex to Japanese soldiers during World War II, Han said that the Korean Government's decision not to demand Japan's compensation on the official level does not mean it is opposed to individual moves to seek Japan's compensation. "The decision does not mean that the comfort women should not file privately lawsuits against the Japanese Government and if the Japanese Government does make a fund for comfort women we shall not oppose it," he said.

Han is to stay in New York and Washington till March 30 and meet with U.S. Secretary of State Warren Christopher and other senior U.S. officials. He is to consult with U.S. officials on U.S. President Bill Clinton's visit to Seoul for a summit with President Kim Yong-sam when he attends the Group 7 summit talks in Tokyo in July. Han is to visit New York on March 23-25 and meet with U.N. Secretary-general Butrus Butrus-Ghali and ambassadors from the five permanent members of the U.N. Security Council. Returning to Seoul, he will stop in Tokyo and meet with Japanese Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe.

ITAR-TASS: DPRK Armed Forces May 'Rise 50 Percent'

SK2303001893 Seoul YONHAP in English 0000 GMT
23 Mar 93

[Text] Moscow, March 22 (YONHAP)—The strength of the North Korean Armed Forces could rise 50 percent to 1.5 million men and women as many students and reservists are volunteering for active duty, the ITAR-TASS news agency reports. In a dispatch from Pyongyang, ITAR-TASS said Monday that North Koreans were responding to the "state of semi-war" proclaimed by the Stalinist government in reaction to the U.S.-South Korean military exercise Team Spirit, which ended in the South last week.

Team Spirit ended on March 19, but North Koreans were not told this, ITAR-TASS said. According to South Korean statistics, the North Korean Army has 882,000 people in uniform, the Navy has 46,000 and the Air Force has 82,000.

Foreign Minister Discusses DPRK, Regional Ties

PM2303080493 Paris LE MONDE in French 20 Mar 93
p6

[Interview with South Korean Foreign Minister Han Song-chu by Philippe Pons in Seoul; date not given]

[Text] Seoul—[Pons] How do you envisage solving the crisis opened by North Korea's withdrawal from the Nonproliferation Treaty?

[Song-chu] We must use all possible means to prevent an armed conflict in the peninsula and we will make every possible effort to peacefully solve the nuclear issue in North Korea through the United Nations and in close relationship with the big powers. I do not think that the U.S. opinion differs from that of Seoul on this question.

[Pons] What might be the consequences of Pyongyang's tougher attitude in the dialogue between the two Koreas?

[Song-chu] Aside from a freeze on trade and cooperation until Pyongyang goes back on its decision, we are still prepared to help the North overcome its international isolation.

[Pons] Leaving aside the tension created by the Pyongyang decision, what are the other factors of instability in the region?

[Song-chu] The end of the Cold War certainly changed the regional balance and created a degree of detente. But I think that two factors are still worrying: the large quantities of plutonium which Japan has and will have in the future, and China's imports of arms from the former USSR.

These two factors must be considered in the context of Beijing's and Tokyo's mutual perception. By that I do not mean that Japan necessarily intends to become a military power, or that China has similar ambitions, but

there is a risk of escalation in the arms race in the region. It is therefore important that the United States should maintain a presence there in order to safeguard a balance which reassures Japan and prevents China from trying to respond to what it might see as a threat.

[Pons] Do you envisage a U.S. withdrawal from the region?

[Song-chu] I do not expect major changes before the end of the century and I do not think that the Clinton Administration intends to drastically reduce the U.S. presence in South Korea. Cooperation in the security sphere strikes me as necessary, even after the reunification of the peninsula.

[Pons] With regard to relations with Japan, the question of "comfort women" (forced to prostitute themselves for the imperial army—LE MONDE editor's note) seems to be blocking any reconciliation between Seoul and Tokyo. What are you asking from the Japanese?

[Song-chu] We are not asking for apologies or financial compensation. On this last point, our government has just decided to take measures to give material assistance to the victims. What we are asking from Japan, on the other hand, is that it should clearly recognize the facts and agree to look its past in the face.

[Pons] Do you think that a political integration of Asia is a foreseeable development?

[Song-chu] The situation is very different from that of Europe where, in addition to a history of cultural and ethnic exchanges, no nation is in a position of domination. That is not the case here. The diversity of levels of economic and political development, the influence of the state compared with civilian society, are factors which make integration difficult.

Asia still has a long way to go before achieving Europe's degree of homogeneity. Nonetheless, there is economic and financial integration in practice under the auspices of Japan and the overseas Chinese. But there are also limits to this: China's influence and, to some extent, the influence of Korea which has more trade with North America than with the region and where the presence of overseas Chinese is relatively small.

'Sources': U.S. Antidumping Act Leaves 'Bitter Taste'

SK2303090193 Seoul YONHAP in English 0325 GMT
23 Mar 93

[By Pak Chong-chan]

[Text] Washington, March 22 (YONHAP)—Murmurings continue here on the mild dumping recognition against three South Korean memory chip makers by the U.S. administration. While some attribute the result to loud lobbying by the U.S. computer industry, in fear of lost profits, others say it was a maneuver of the U.S. Government to avoid showers of criticism on its

protectionist trade tendency. In any case, it is clear many observers here have turned deaf ears to the U.S. Commerce department's statement that the final dumping rule was made based on materials and regulations and was "unpolitical".

On March 16, the department announced its positive anti-dumping ruling on Korean dram (dynamic random access memory) chips and put a dumping margin of 0.74 percent on Samsung Electronics Co., a pat-on-the-cheek compared with the 87.4-percent finding in the preliminary trial last October. Goldstar Electron Co. was saddled with 4.97 percent, compared with the initial 52.41 percent, while dumping margin on Hyundai Electronics Co. slightly rose to 7.19 percent from 5.99 percent.

On the announcement, THE NEW YORK TIMES summed up the Commerce Department's ruling as a consideration for the U.S. computer industry, likely to suffer from chip price hikes in the wake of high dumping duties on Korean imports. Analysts here observed an antinomic situation and were unable to take sides. While American computer manufacturers were not in a position to watch the situation turn unfavorable to Korean dram exporters with folded arms, U.S. chip makers had their fingers crossed for high dumping margins for a boost in their competitiveness.

A WASHINGTON POST columnist on Monday warned against interpretation of the Commerce Department's decision as President Bill Clinton's move to calm other countries, anxious of Washington tilting toward protectionism. The low dumping margins on Korean dram chips would be a help to American computer manufacturers and the ruling has stopped Japan from earning profits from high dumping duties on Korean products, the daily said.

Because the U.S. semiconductor market breaks down to 55 percent by Japan, 30 percent by Korea, and 15 percent by home industry, it would be Japan who ended up with a smile like that on the cat that ate the canary with high dumping tariffs on Korean products, some analysts here say, backing their inference that the ruling had aimed to avoid boosting Japanese advancement and therefore had political consideration. Major American computer companies such as IBM, Apple, Compaq, and Dec had put top lawyers in the field to lobby the government to refrain from being hard on Korean exporters.

As a sign of appreciation, the Seoul government is said to have sent a message to Washington promising to respect its proposals as much as possible during bilateral talks on intellectual property rights and semiconductor industry cooperation. But the Korean industry sources say the U.S. anti-dumping saga left bitter taste due to hasty reports by the Korean press, who ran irresponsible figures and jumpy projections long before the actual ruling and heightened nervousness among observers in the industry and government.

The press reports are said to have been based on words by Korean business lawyers, who were off by 85 percent in forecasts of dumping margins on Samsung chips in the preliminary ruling. The U.S. Commerce Department was supposed to announce the final result at noon on Wednesday, but unveiled the margins after 4 p.m. as its computer broke down. But this action was later known to have been taken so as to cause little effect on the New York Stock Exchange. Wall Street closes at 4 p.m. Many industry sources quoted this incident to advise the Korean press against premature reports in consideration for the concerned parties.

Natural Gas Project With Russia Held Up by Unrest

SK2303080193 Seoul YONHAP in English 0643 GMT
23 Mar 93

[Text] Seoul, March 23 (YONHAP)—A joint South Korea-Russia project to develop natural gas fields in Saha, the former Yakutskia, in Siberia has hit a snag as a result of political unrest in Russia. The second meeting of the tripartite consortium of South Korea, Russia and the Saha Autonomous Republic, scheduled to open in Yakutsk, the capital of Saha, on March 23, failed to take place because of Russia's political unrest, according to the Ministry of Trade, Industry and Resources. As a result, the consortium had to shelve the selection of a team for a preliminary feasibility study of the gas fields and other programs of the joint venture.

In addition, Saha has failed to fulfill its agreement in the first meeting, last December, to hand over survey data on the fields to South Korea, Ministry officials said. Should Russia's political unrest develop into the downfall of Russian President Boris Yeltsin, the project would unravel because Yeltsin is an active promoter of the venture but his conservative foes are against foreign participation in the development of Russian resources, they observed.

The Yakut gas fields are estimated to have reserves of some 10 trillion cubic meters, of which 825 billion cubic meters are confirmed. In terms of liquefied natural gas, estimated reserves come to 700 million tons and confirmed to 60 million tons, almost 20 times South Korea's annual consumption of 3.4 million tons.

ROK Plans Geological Survey of Former Communist States

SK2003103693 Seoul MAEIL KYONGJE SINMUN in Korean 17 Mar 93 p 13

[Text] Research into the development of overseas resources in former communist countries that have recently opened its doors, begins in earnest this year. In the hopes of staking advance claim overseas for Korean companies to develop resources, the Korea Resource Research Institute decided to actively investigate the resources of former communist countries that seek to

develop their resources with foreign capital, thinking that advanced countries have yet to reach these areas.

In accordance with this policy, the institute decided to conduct this project within the year in four areas—the former USSR's Chita Republic and Buryat Republic which border Lake Baikal, northern Vietnam's (Toktat) region, China, and Mongolia—and has formed a survey team of about 40 experts.

In the former USSR, the institute will work with Russia's Academy of Sciences to survey the banks of Lake Baikal for zinc, scheelite, and rare metal deposits; in Vietnam, it will work with the National Geological Survey Institute to conduct a precise geological study on metal deposits in the (Toktat) region near China for manganese; in China, it will work with the China Nonferrous Metal Corporation to search for tungsten deposits which are scattered throughout China; and in Mongolia, it will work with the National Geological Survey Institute to search for uranium.

Realizing the urgency in industries making full use of the survey results to stake advance claims, the institute plans to discuss which resources industries are most interested in prior to starting the project. The institute has accumulated experience and knowhow from survey activities since it conducted a survey of the Philippine island of Samar in 1990 and found chrome deposits of over 100 million tons.

Chungmu Maritime Police Seize 2 PRC Fishing Boats

SK2303124893 Seoul YONHAP in English 1236 GMT
23 Mar 93

[Text] Chungmu, March 23 (YONHAP)—The Chungmu Maritime Police on Tuesday seized two Chinese fishing boats for violating the territorial waters of Korea off the South coast. The two trawl-boats of 350-ton class were caught around 11:40 a.m. as they, along with about 10 other Chinese boats, were catching fish 13.5 miles inside the Korean waters near Sejon-do isle, Sangju-ri, Sangju-myeong, Namhae-kun. The two boats with 41 fishermen aboard were being towed to the Chungmu port, the source said.

Meanwhile, a report from Yosu said that the Yosu Maritime Police caught a Chinese trawl-boat on Tuesday afternoon for catching fish inside the Korean waters. On a report that about 10 Chinese boats were operating eight miles Southeast of Sangbaek-do isle, Samsan-myon, Yochon-kun, a maritime police vessel, along with a Navy patrol boat, sped to the scene and caught one of the boats around 3 p.m. The boat from the Jiangsu Province of China, with 18 fishermen aboard, was being taken to the Yosu port for questioning on territorial violation charges, the report said.

Auditing Body Inspects Government Agencies*SK2303080493 Seoul YONHAP in English 0124 GMT
23 Mar 93*

[Text] Seoul, March 23 (YONHAP)—The Board of Audit and Inspection (BAI) began inspecting government agencies to stamp out corruption and misconduct Tuesday. The secret investigation was prompted by some 200 grievances and complaints that the BAI has received about civil servants, BAI officials said.

In future investigations, the BAI will look into illegal banking practices, such as kickbacks from private borrowers and compulsory deposits from corporate borrowers as conditions for making loans. That probe will be based on data received from the Office of Bank Supervision. It will also scrutinize the inheritance and gift tax declarations of rich people to see if any tax was evaded in collaboration with tax collectors, the officials said.

Personnel 'Troubles' Hinder Administrative Reforms*SK2303063993 Seoul THE KOREA TIMES in English
23 Mar 93 p 8*

[By staff correspondent Choe Won-sok]

[Text] Even though nearly a month has passed since President Kim Yong-sam formed his Cabinet, the administration is not conducting properly its affairs largely due to troubles in personnel management. Some ministers were forced to resign because of irregularities committed in the past, thereby seriously hampering the execution of administrative affairs from the start. But the most glaring problem of the Kim administration is its retreat from its original much heralded economic policies such as the introduction of the real name financial transaction system within this year.

To make matters worse, key economic ministries such as the Ministry of Trade, Industry and Energy and the Ministry of Finance have been idle because of a long delay in appointing personnel to fill vacant posts. In the case of the Ministry of Trade, Industry and Energy, three assistant ministerial posts have been vacant for more than two weeks along with the director general post for the Electronics and Information Industry Bureau.

The three assistant ministerial posts are responsible for trade, industry and resources. The delay in appointment is attributed to the ministry's efforts to find outside jobs for a number of high-ranking officials who will lose their current posts due to the merger of the former Energy-Resources Ministry and Trade-Industry Ministry. It is reported that some 20 officials above the rank of division manager will have to leave the ministry, the largest economic agency. As a result, the ministry is unable to work out a wide range of policies consistently and effectively.

In particular, it is at a loss on how to cope with pending trade issues with the United States, the 12-member European Community, Japan and other advanced countries. Because of its "passive" activities, the ministry has even failed to fix the date for Minister Kim Chol-su's visit to the United States to straighten out current trade issues such as the alleged dumping of Korean steel in the U.S. and the protection of intellectual property rights.

The press, covering the ministry, has no access to information on energy and resources because no officials of the former energy-resources ministry dare to meet reporters. Mindful of the virtual standstill of the ministry dating back to a couple of months before the presidential election, a substantial number of junior officials are doubting the determination of President Kim to revive the economy and internationalize trade policies.

Meanwhile, an uneasy mood prevails in the corridors of the Ministry of Finance [MOF] as Minister Hong Chae-hyong has been delaying personnel changes. At coffee machines and over lunch, MOF staffers are gossiping over who will become their bosses or to what extent the minister will conduct a much-delayed reshuffle. Outside calls to inquire about the personnel changes are also unnerving MOF staffers.

Furthermore, instruction from the Chongwadae [presidential offices] economic team have them wondering whether Minister Hong has the "power" to defend and protect the ministry's own turf. Despite the delay in a shakeup, it is believed that two of the three assistant finance ministers will move to state-run banks. Diplomats and foreign financiers have lost contacts with the ministry as the director general post for the International Finance Bureau is still vacant since the former moved to the Chongwadae economic team.

President Urges 'Properly' Imposed Taxes on Rich*SK2303115893 Seoul YONHAP in English 1120 GMT
23 Mar 93*

[Text] Seoul, March 23 (YONHAP)—President Kim Yong-sam on Tuesday instructed the Finance Ministry to impose taxes properly on high-income professional people like doctors and lawyers and those earning incomes accruing from real estate. While receiving a report from Finance Minister Hong Chae-hyong on his ministry's policy programs at Chongwadae [presidential office], President Kim stressed that taxes should be collected properly from high-income professionals and unearned-income earners so that earned-income tax payers won't feel they alone are heavily taxed.

It is widely suspected that in most cases professional practitioners declare their earnings in amounts far smaller than actual earnings and thereby pay smaller taxes than they are supposed to. "There should be a

sweeping change in tax administration. If tax and customs offices fail to become friendly to the people, we won't be able to have a clean government or a healthy society," the president said.

Stressing that stepped-up support to small industries is one way to recover the economy from lingering difficulties, President Kim urged the finance minister to foster an atmosphere in which businessmen can feel tempted to invest more in their businesses. The president also said the internationalization of banking should be promoted expeditiously.

"But, we should be in the posture of promoting banking internationalization not because of foreign pressures but because of our own need," he said. Meanwhile, President Kim has asked the Federation of Korean Trade Unions (FKTU) to cooperate with the Korean Employers Federation in setting this year's wage increase guideline.

A source at the employers federation said on Tuesday that following the report session on "a 100-day plan for new economy" held at Chongwadae Monday, President Kim met top FKTU leaders separately to ask for their cooperation. FKTU chairman Pak Chong-kun and other union leaders assured the president of their positive cooperation in the government's new economy policies, the source said.

On another occasion Tuesday, President Kim, who is concurrent president of the ruling Democratic Liberal Party [DLP], stressed, "there should be tears at our party, and those tears should be the tears of repentance." After presenting letters of appointment to senior DLP secretariat officials at Chongwadae, the president said that in the on-going flow of changes and reforms, the ruling party should be the first to change and reform.

The presidential remarks were taken as a warning to those DLP legislators suspected of having amassed fortune during their being in public offices in the past. "Those conservative forces who fail to adapt themselves to reforms are missing the bygone days. But, reforms are the wave of history and they should not resist the historical flow and people's aspiration," Kim said.

Asset Disclosure Undermines Administration's 'Image'

SK2003050093 Seoul THE KOREA HERALD in English 20 Mar 93 p 3

[Text] The disclosure Thursday of personal assets by some 40 cabinet members and presidential aides, although an unprecedented move, seems to have undermined, rather than strengthened, the clean image of the new administration. Their property list is arousing suspicions that some top government officials might have used such questionable means as speculation in real estate in building up their assets.

For instance, Foreign Minister Han Sung-chu, a former Korea University professor, owns, in addition to his

house in Seoul, a dry crop field in Yongin County, Kyonggi Province; a building in Songdong-ku, Seoul; and a shop in Yongi County, South Chungchong Province. In addition, he has under his wife's name land lots in Kongju County, South Chungchong Province, and in Yongin County and a dry crop field in Kongju County. Han's mother also possesses a parcel of land, an apartment and an office, all in Seoul.

Culture and Sports Minister Yi Min-sop owns a dry crop field and land parcels in Kangwon Province, an apartment in Chunchon City, Kangwon Province, and an office in Seoul. His wife also has a mountain in Cholwon County, Kangwon Province. Other ministers suspected of having been involved in land speculation include Health and Social Affairs Minister Song Chong-suk, and Defense Minister Kwon Yong-hae. Especially, Kwon and his wife have land lots on Cheju Island, a region where real estate speculation was rampant years ago.

Some people are perplexed to find that officials who are reputed for their "unusual" cleanness possess large properties that hardly fit with their public image. "I am surprised at the large amount of assets that a few professors-turned ministers revealed," said Son Pong-ho, a professor of social education at Seoul National University.

Son said not a few ministers turned out to have real estate in areas with which they apparently have no connections, giving the impression that they purchased it for speculative purposes. "I feel that despite the government's vow not to do so, it is necessary to bring personal wealth of these high-ranking officials under close scrutiny," Son said.

His view was echoed by Cho In-sang, a pastor at a Seoul church. "I welcome the disclosure in principle. But the way the ministers and presidential secretaries made their assets public is problematic. It leaves much room for them to conceal their properties. In this sense, a thorough investigation should follow," Cho said.

Real estate experts say that most of the listed properties are undervalued. For example, most officials quoted the value of their houses at prices with which they were purchased years ago, which most likely are much lower than going prices. An example is Seoul City Mayor Yi Won-chong, who valued his luxury apartment in Kangnam area at a mere 279 million won. The floor space of his house is about 190 sq. meters. But Chong Chong-uk, senior presidential secretary for foreign affairs and national security, quoted his apartment in the same district at 400 million won, even though it is smaller than Yi's. Mayor Yi is highly reputed as a clean official but his declared property worth over 1.2 billion won was large enough to surprise his citizens. "I wonder how the officials, mostly former professors and professional government functionaries, could be so rich," said Cho So-hyon, an elementary school teacher in Seoul.

Kim Hang-kon, a police officer, was angry at the apparent attempt of the officials to underestimate their

wealth. "The list conceals rather than reveals the personal assets of the newly appointed ministers and other high-ranking officials. If the government tells us to take it as presented, what's the use of the disclosure?" Kim said.

Many critics of the new administration have suspected before the disclosure that the move might degenerate into a kind of ritual of passage that would actually acquit the officials of their past wrongdoings in building up personal wealth. "I think the skeptics were right," said Kim. He added that if the officials are afraid of honestly declaring their personal wealth, they lack the moral authority to persuade the public to be honest and clean.

The general reaction of the public to the disclosure seemed to be disappointment. "I expected the new administration to be different from their predecessors. But I feel betrayed," said Kim Yong-sam, a housewife in Seoul. Kim Tae-hwan, a graduate student of Seoul National University, said that the government should not remain satisfied at the disclosure itself but take action to wipe out people's suspicions and disappointment. "If the government refrains from investigating the officials' personal wealth, it can hardly claim to be a clean and honest government. People will have the same sense of alienation towards it as they had towards its predecessors," Kim said.

Most of the top officials did not put pricy jewels, paintings or antiques on the list of their assets. Kim Tok-yong, first minister for state affairs, reported that his wife is in possession of 1,275 grams of gold valued at 13 million won. Kim Chol-su, minister of trade, industry and resources, said his wife has a 5-million-won diamond ring.

'Questions Persist' on DLP Members' Asset Disclosures

*SK2303082493 Seoul YONHAP in English 0537 GMT
23 Mar 93*

[By Cho Se-hyon]

[Text] Seoul, March 23 (YONHAP)—As part of President Kim Yong-sam's anti-corruption campaign, all 161 lawmakers of the ruling Democratic Liberal Party [DLP] made their personal assets public Monday. Questions persist, however, over whether the lawmakers compiled and disclosed all of their assets faithfully and honestly. There were many ways to underestimate personal property and bury assets under assumed names in stocks and bonds and other forms of investment.

Nevertheless, credit should be given to those lawmakers because through their action, unprecedented in the nation's constitutional history, they have helped establish a precedent for politicians of future generations to follow. They thus joined Kim, senior presidential secretaries and cabinet ministers in opening themselves to public scrutiny and criticism by exposing their personal assets.

For these facts alone, they deserve public applause. For their action signifies "a severance of their ties with the past," which critics say was corrupt to the core through the use and abuse of authoritarian power during 30 years of military-led governments. The disclosure of their assets, in effect, dramatizes the need for reform in the nation's political system and the past, corrupt practices of politicians. It will probably even bring about a change to the "political map" of the country.

The lawmakers' disclosure of their monetary worth raised many eyebrows because their announced assets are far smaller than the public had expected. There are some observers who say what's wrong with making a lot of money to the best of one's ability in a free, capitalistic society. But they become the justifiable target of suspicion and criticism when their assets are so large as to defy common sense.

And when one looks at breakdowns of their assets, it becomes obvious many rich lawmakers made their money through speculative transactions in real estate, showing a financial prowess that took full advantage of a blind spot in the country's warped economic system. They may not have broken the law when they had amassed wealth in land speculation, but they cannot escape from being the subject of public scorn and criticism because they are precisely the ones who should have led the nation to discourage such behaviour, many analysts point out.

Kim's original idea of having all ranking public officials disclose their assets was to show that they had been clean in office by disclosing their assets again years from now. How some public officials made their money in the past, therefore, was irrelevant in the present scheme of things.

Many people insist, however, that they cannot overlook the fact that so many public officials, most of them simple wage-earners, could amass such wealth. That abuse of power, if not downright illegal means, may have been employed by politicians becomes apparent from the fact that those DLP lawmakers who belonged to the factions led by former president No Tae-u or executive chairman Kim Chong-pil are far richer than those who were in the opposition camp under Kim Yong-sam before the three-party merger that formed the DLP in 1990.

In addition, the lawmakers tend to be richer the longer they have served as representatives in the National Assembly and those who served in past administrations are the richest, raising serious questions about the ethical standards of government officials. As a result, some analysts suggest that from now on public officials should be required to show the processes by which they accumulated their wealth.

But questions are being raised as to the legality of forcing public officials to disclose their assets. At the moment, there is no law that compels anyone to make their personal property public. The ruling party insists it recommended a "voluntary disclosure of assets" to its lawmakers following a

formal decision reached at a policy committee meeting. But few would deny that the action was imposed upon them by President Kim Yong-sam.

Therefore, the establishment of a legal basis is necessary for similar actions in the future. The government also has to work out laws or regulations specifying, among other things, the subjects of public disclosure and the standards and methods of property appraisal.

'Large Majority' Support Kim's Appeal for Sacrifice

SK2003101793 Seoul YONHAP in English 1001 GMT
20 Mar 93

[Text] Seoul, March 20 (YONHAP)—A large majority of people support the appeal for pain sharing and sacrifices by President Kim Yong-sam made in a televised address on economic policy on Friday, pollster Korea Research said Saturday. In a telephone survey on 500 men and women across the nation aged between 20 and 60 years old, 453 people, or 90.6 percent said they support the president's appeal for pain sharing to boost the economy. A large 86.6 percent believed in the government's sincerity for economic recovery, while 12.8 percent expressed negative responses.

Some 80.4 percent thought cutting government expenditure to less than last year's level and freezing pay of public servants would help to solve the country's economic difficulties. Most people sympathized with Kim's appeal to business sectors not to raise consumer and service prices for a year with 53.6 percent saying "very much" and 34.8 percent saying "so-so". While 78.8 percent said they believed government's 100-day and five-year economic plans would bear either great or moderate fruits, 20.6 percent projected a little or no progress. Also 49.6 percent said they were moved by Kim's special statement, 43.6 percent, to some degree, and 6.2 percent expressed disappointments.

ROK 'Denies' Economic Plan Will Overheat Economy

SK2303070893 Seoul THE KOREA HERALD in
English 23 Mar 93 pp 8, 9

[By staff correspondent Choe Nam-hyon]

[Text] The government, which is set to promote growth, may have to sacrifice price stability because the two goals of attaining a high rate of growth and stabilizing prices are at times contradictory. At the same time, the government is running the risk of overheating the economy if it increases money supply at a time when the economy is bottoming out on its own.

But the government denies that the package of short-term measures for economic recovery will boost prices by a big margin and overheat the economy. "A small increase in money supply will not have a great impact on

the price level because overall demand has contracted and the rate of plant operation is low," says a top economic policymaker.

Assistant Minister of Economic Planning Kang Pongkyong says money supply will rise about 500 billion won more than the amount planned at the outset of this year, an increase which he believes is manageable. The government is set to raise the amount of money available on concessionary terms to businesses investing in plant and equipment to 9,740 billion won this year, up 570 billion won from the initially planned amount.

Small- and medium-sized companies will be able to borrow an additional 85 billion won on their exports as they are allowed to borrow up to 700 won for every U.S. dollar on letters of credit they have received. But these increases in the loanable amounts of money will not directly translate into increases in money supply, says Kang of the Economic Planning Board [EPB].

Many of the businesses, which had been planning on loans for investment, are anticipated to switch to more favorable loans instead of borrowing additional money, he says, adding that the increase in money supply will not exceed 500 billion won. He insists that the government does not need to readjust this year's plan for money supply, which is projected to rise in a range from 13 to 17 percent.

However, he says, money supply will be allowed to rise 15 percent to 19 percent temporarily during the second quarter when the short-term stimulus measures will help raise money demand. In addition to a rise in the loanable amounts of money for investment in plant and equipment and exports by small- and medium-sized companies, the government is cutting interest rates and giving businesses greater and easier access to its funds and loans from banks.

While extending a temporary tax credit for investment, which had been scheduled to expire at the end of June, extending it to the end of this year, the government is making it easier for exporters to file for a refund of duties on imports used to produce items for export. More funds from the Export-Import Bank are available to businesses exporting plants on a deferred-payment basis.

These and other stimulating measures may soon raise the manufacturing operation ratio, which was running at 73.9 percent in January, to the level of more than 80 percent attained when the economy was booming in 1991. "We will make adjustments when a rise in the operation ratio affects prices seriously," Kang says.

But the government may attempt to make such adjustments too late, as in 1990. After seeing the economy decelerate in late 1989, the government announced in April 1990 that it would give the economy a shot in the arm.

In hindsight, however, stimulation measures were taken at a wrong time. They were adding fuel that overheated

an economy already riding on a boom cycle. Statistics made available in May 1990 showed that the growth rate shot up from 6.8 percent in 1989 to 11.2 percent in the first quarter of 1990. The consumer price index jumped to 9.4 percent.

As Kang of the Economic Planning Board asserts, one of the major culprits was a boom in construction which few policymakers had anticipated. The government had to put the brake on the runaway economy during the second half of 1991. The change in government policy halved growth from 8.4 percent in 1991 to 4.2 percent in 1992.

There appears to be no guarantee that the government will avoid making a similar mistake this time. Even the Economic Planning Board has been making a cautious prediction that the economy is bottoming out.

In addition to the EPB, the Korea Development Institute and the Bank of Korea have predicted that the economy will recover its past moderate rate of growth during the second half of this year. A survey of the top 100 corporations conducted last year by the EPB in February may back up their predictions. The corporations said they would raise investment from an average of 4.3 percent last year to 9.4 percent this year.

Trade Ministry Reports Rise in Jan-Feb Car Exports

SK2003071693 Seoul YONHAP in English 0524 GMT
20 Mar 93

[Text] Seoul, March 20 (YONHAP)—Car exports have accelerated in the last two months and are speeding down the road to recovery, the Trade, Industry and Resources Ministry said Saturday. Korean automakers sold 83,000 cars abroad in January-February, up 144.1 percent from a year earlier. Skewing the figures, however, is a dispute at the Hyundai Motor Co. that cost the company around 24,000 export sales in the same months last year, so real growth is estimated at 43 percent.

The automakers sold 26,000 cars in North America, up 73.33 percent; 20,000 in Europe, up 122 percent; 16,000 in the Asia-Pacific region, up 300 percent; and 21,000 in other areas, up 250 percent. The rise was attributed to diversification of markets and models, and to the Korean won's weakness against the U.S. dollar.

President's Relations With Military Viewed

SK2103141893 Seoul SINDONG-A in Korean Mar 93
pp 252-263

[Article by Kim Chae-hong: "Kim Yong-sam's Grasp of the Military and the PK Military Faction"]

[Text] Those people most acutely sensitive to just how the military will change during the Kim Yong-sam era are career military officers themselves. It is they who will be affected by the supreme military command that President Kim Yong-sam will exercise.

The general public anticipates that once Kim Yong-sam is formally sworn in as president, he will carry out sweeping personnel changes within the military hierarchy. As a civilian president who will take office as the country emerges from the long tunnel of military rule that has lasted 32 years, Kim needs to weed out so-called "political soldiers" so that he may exercise strong influence over the military. Even high-ranking field grade officers respond "it would be natural" when asked the question, "If Kim Yong-sam, a civilian president, carries out a wide-spread shuffle of general officers in the military, how will it be received?"

One non-Korean Military Academy [KMA] colonel of the Ministry of National Defense [MND] made the following statement just under two weeks prior to the inauguration of President Kim Yong-sam.

"Even in the transfer of power from President Chon Tu-hwan to President No Tae-u, there was a large turnover in military leadership. So would it not be more natural that a new military leadership be emplaced as the baton of power is handed from a president of military origins to a civilian president?"

Although this is very much common sense, it certainly is descriptive of current trends. The feeling prevalent throughout the military's rank-and-file officers is that with times having changed, a commensurate price must be paid.

High-ranking general officers, however, feel a little different.

One major general from the KMA stated, "It is difficult to find any reason why the military would either appear to the new president as being in shambles, or for the president to feel estranged vis-a-vis the military. Kim Yong-sam likely knows better than anyone else that high general officers are inwardly relieved at the fact that he rather than Kim Tae-chung or Chong Chu-yong was elected president. They feel that the most desirable method by which Kim can take charge of the military would be to utilize the current military leadership as long as their goals coincide and they follow him well. There is no need for the president to forcefully exercise his control over personnel actions just to put his people into place."

This position may be seen as being derived from a desire on the part of high-ranking military general officers to maintain intact their vested rights. However, this position also stems from the recognition that since the current military poses no disadvantage to Kim, he need not necessarily begin such an intricate and onerous task.

The reason why Kim Yong-sam would be able to take charge of the current military leadership without feeling any burden would be because the majority of that leadership at this time are individuals from the so-called PK (Pusan, South Kyongsang Province), hailing from the same area as Kim Yong-sam.

Line-up of General, Lieutenant General PK Officers in Key Positions

Talk that the PK had risen as the true power within the military began to spread last year.

The leader of the PK division is Army Chief of Staff Kim Chin-yong. Kim exercises the most substantial power in general officer personnel matters. He is a graduate of Pusan High School and KMA Class 17. Chief of Staff Kim was appointed Army chief of staff by President No Tae-u and Minister of Defense [MOD] Yi Chong-ku in December 1991, succeeding current Minister of Sports and Youth Yi Chin-sam in the position. Lieutenant General [Lt. Gen.] Ku Chang-hoe, who at the time of Kim Chin-yong's appointment was serving as commander of the Defense Security Command [DSC], was promoted to the rank of general and became commander of the Third Republic of Korea Army [TROKA]. Ku Chang-hoe was an underclassman of Kim Yong-sam at Kyongnam High School, and was one KMA class behind Chief of Staff Kim. Ku was the chief of staff under 9th Division Commander No Tae-u at the time of the 12 December incident in 1979, and is a powerful figure in the "9-9 faction" [that group of officers who served under No Tae-u's command at either the 9th Airborne Brigade or the 9th Division]. He was one of the figures along with Regimental Commander Yi Pil-sop and G3 An Pyong-ho who were the meritorious retainers of 12 December that led their forces into Seoul.

Even at that time, however, the PK military faction was not really anything of which to speak. Following the 16 May incident [Pak Chong-hui's coup seizing power from Chong Myon in 1961], the PK was nothing more than a weak second to the deeply rooted TK military faction from Taegu and North Kyongsang province, the home of President Pak Chong-hui.

As then-commander of the ROKA Training and Doctrine Command [TRADOC], Cho Nam-pung was promoted to the rank of full general and moved on to become the First Republic of Korea Army [FROKA] commander in June 1992 promotions. Lt. Gen. Kim Chong-hyon was appointed KMA commandant. Thus word began to circulate that the "PK was beginning to monopolize key military positions."

FROKA Commander Cho is a KMA Class 18 member who graduated from Tongnae High School. Cho was the commander of the DSC in October 1990 when Private Yun Sok-yang's statement of conscience exposed the DSC's surveillance of civilians. Cho assumed responsibility for the incident and was dismissed from his position. Although he was soon appointed as TRADOC commander, his future looked quite unclear due to the large scars left by the incident. After only a year and a half, however, he rose to field army commander, one of the "choice" assignments right behind chief of staff.

General Cho Nam-pung has maintained his position as the leader of KMA Class 18. His comeback was criticized as an attempt to dismiss the fallout from the DSC

investigation incident as a temporary phenomenon. The DSC at the time was caught in an extraordinary whirlwind of controversy within both political circles and public opinion. Cho's comeback amid such adversity was thus interpreted as an indicator of the rise of the PK.

The PK military faction was quite successful in the last general-officer personnel actions taken by the Sixth Republic government. In the December 1992 personnel shuffle, which was of medium proportions, Yun Yong-nam (KMA Class 19, Pusan High School) was assigned to the position of director of the Joint Chiefs of Staff [JCS] Strategy and Plans Directorate [J5], a key lieutenant general position. Major General Chang Song-tuk (KMA Class 22, Pusan High School) was placed in the key position of director of personnel operations at Army Headquarters. Maj. Gen. Chang had the misfortune of having to involuntarily retire when it was revealed on 8 February 1993 that his wife had given a bribe of 200 million won in order to have their son admitted to Kwangun University.

After the emergence of Chief of Staff Kim Chin-yong, the PK gradually rose into the choice assignments over three separate general officer personnel changes. Many who know the military relatively well stated: "It was fortuitous that the cycle of general officer promotions became balanced." Many qualified individuals from Pusan and South Kyongsang Province were members of KMA Classes 17 to 19, the backbone of the four- and three-star general officer corps in the Army at the time. This interpretation does not see the PK group as a faction artificially created by an "invisible hand."

In any case, it is highly possible that Kim Yong-sam will regard the issue of taking charge of the military as being easy given that individuals from the PK military faction—his hometown area—are occupying high-ranking general officer and other major positions. This likelihood is further supported by the fact that since Kim Yong-sam was elected president, there is no evidence of anyone within his camp paying any particular attention to the military leadership.

When Kim Yong-sam Was on Defense Committee, KMA Class 11 Officers Were Captains

Advisors to Kim Yong-sam give two reasons why Kim Yong-sam has taken no action toward the military.

The first reason is that Kim Yong-sam's political style is not that of a working-level type who meticulously prepares for issues. Rather, he tackles issues head-on as they arise. This is explained by Kim's political philosophy, as evidenced in the calligraphy that he enjoys drawing that states "the great path has no gate" [taedo mumun].

Second, the military does not have a great degree of relative importance in Kim Yong-sam's philosophy or political outlook. Apart from the question of whether Kim has any antipathy toward either the military government that reigned so long or toward the evil vices of military culture, Kim Yong-sam simply believes that the

military is dependent on the regime. The era of military politics that began with the 16 May 1961 military coup was extended by the 12 December 1979 incident and continued some 32 years. In Kim Yong-sam's view of history, however, the military government could never become the "great path" and therefore the government reverted to an era of civilian rule. Thus after repeated advances, retreats, and reversals, the regime that emerged victorious in an open and fair election in an era of a more mature civilian rule is now the leader and prime mover in all areas. The military cannot help but comply with this trend. This is how Kim Yong-sam feels. This is why Kim never had any concept of special management of the military simply because it is an organization that is physically strong.

There are aspects of Kim's view toward the military, however, that show Kim may be viewing the military too simply. One national assemblyman of the Democratic Liberal Party [DLP] made the following statement:

"When Kim Yong-sam was in his early thirties and an opposition party member of the National Defense Committee, the members of KMA Class 11 were captains. Although Class 11 members yielded power within the military and eventually produced two presidents, there is no reason for these people to have appeared formidable in Kim Yong-sam's eyes."

However those who believe that the Kim Yong-sam camp could not have been able to completely disregard the military also have quite a persuasive argument. If Kim Yong-sam is to achieve the "reform" that he is seeking, he must make some minimal moves to establish relationships with the military, the stronghold of the conservative vested interests.

One cannot exclude the possibility that the military might resist when attempts are made to cut the national defense budget, reduce the size of bloated military organizations and agencies, or to pursue a new path in North-South talks. Attempting to pursue such reform policies without having placed influential general officers who Kim can trust within the military leadership is a political risk.

Because of this, the analysis of one active duty lieutenant general is particularly interesting. His logic runs counter to the general prediction that the military will encounter difficulties under a civilian president, unlike the era where presidents from the military like Pak Chong-hui, Chon Tu-hwan, and No Tae-u ruled. He states:

"In the past, since the presidency was held by former military officers who were thoroughly aware of the situation within the military, the military lacked a great degree of latitude to act. There were also difficulties in treatment and welfare. Even when there was discontent with personnel-related issues, the military had to sit quietly and be patient since their president was a military superior. Now, however, the military will express their discontent when it arises rather than simply endure and stomach it. There are thus a good number of military

officers who believe that the treatment of the military may even improve. It certainly will not get worse."

If indeed there are a large number of military officers who share this opinion, there will be a good amount of difficulties encountered in military reform, such as reduction of the defense budget or organizational cuts.

Choe Chang-yun Contacts Class 18 Generals

Choe Chang-yun is known as the person within the Kim Yong-sam camp who has been in charge of contacts with the military. His current position is chief secretary of the DLP party president.

Choe served as the chief secretary for political affairs for President No Tae-u from December 1988 to December 1990. Afterward, he served as deputy information minister before being appointed as the head of Kim Yong-sam's secretariat in June 1992. Some within the political world even saw this dispatch of Choe to Kim as a move by President No to give Kim Yong-sam some power.

Secretary Choe was born in Sonchon, North Pyongan Province [North Korea]. He graduated from Seoul High School and was commissioned as a member of KMA Class 18. After his commission, he received his doctorate from the University of Hawaii in political science and became a typical member of the military elite. In spite of being a military man, he is seen as a rational person who does not have the air of a warrior.

Choe's selection as the focal point within the Kim Yong-sam camp for contacts with the military stems from the fact that his classmates from KMA Class 18 are all currently at lieutenant general rank and above. Class 18 members include General Ku Chang-hoe, TROKA commander; General Cho Nam-pung, FROKA commander; General Kim Chae-chang (Ponghwa, North Kyongsang Province), first vice chairman of the Joint Chiefs of Staff; Lt. Gen. Kim Chong-hon, KMA commandant; Lt. Gen. Chang Song (Seoul), director of the MND Policy Office; Lt. Gen. Pyon Chang-won (Taejon), TRADOC commander; Lt. Gen. Chang Sok-in, commandant of the National Defense College; and Lt. Gen. Chang Pyong-yong (Seoul), commander of the Armed Forces Special Inspection Group.

A person well-versed expert on the military stated that chief secretary Choe met for meals on two occasions before and two occasions after the president election with his classmates from Class 18. Choe told the high-ranking generals: "I see absolutely no reason for the military to have any objections to Kim Yong-sam."

The question whether these meetings were violations of the election laws is virtually a moot point. However, if they had become known at the time there is a great possibility that they would have been quite damaging to both the Kim Yong-sam camp and the military. This should not be seen as an attempt to obtain votes within the military. Yet the mere fact that a close aide of one of the presidential candidates called together high-ranking

general officers would have raised quite a sensation. There is no confirmation of just who attended these meetings. What is known is that only a limited number of people attended, the meetings being conducted under extremely tight security due to the election.

This source believes that these meetings were similar to others held by Kim Yong-sam's staff with figures from other spheres as well, like the meeting held by former Justice Minister Kim Ki-chun with the Pusan district chiefs of various government organizations. Chief secretary Choe appears to have been in charge of contact with the military.

At least two dinner parties are known to have been held in January 1993 following the elections at chief secretary Choe's residence in the Samho Apartments, Pangbae-pondong, Socho-ku, Seoul. Among others, the attendance of DSC Commander Lt. Gen. So Won-su drew particular attention. DSC Commander So is an orthodox TK figure who graduated from Kyongbuk High School and is the leader of Class 19. His attendance at this meeting is a good indication of the influence Kim Yong-sam has on the military.

At this meeting, chief secretary Choe told his high-ranking general officer classmates that there was no need to be concerned about Kim Yong-sam's "reform" plan, "pacifying" them by saying that they would be given opportunities to explain actual conditions within the military as the chance arose. It is generally perceived that the opinions exchanged at this meeting were faithfully reported in full to Kim Yong-sam.

Minister of Defense With Different Responsibilities and Roles

There are two or three other individuals within the Kim Yong-sam camp aside from Chief Secretary Choe who can be counted as viable conduits to the military.

Sin Yun-hui has been in charge of security for Kim Yong-sam since the presidential election. He is a reserve major general from KMA Class 21. Originally from the Seoul Area, Sin previously served as the provost marshal at Army Headquarters. At the time of the 12 December 1979 incident, Sin was the deputy commander of the military police group of the Capital Garrison Command. Accompanied by Colonel U Kyong-yun, the group commander, he went to arrest ROKA Chief of Staff Chong Sung-hwa. The two were part of the new military line of then-DSC Commander Chon Tu-hwan. Thus when it became known during the election that Sin was in charge of security for Kim Yong-sam, the scuttlebutt of the day was, "Kim Yong-sam has hired a person tainted by military history." However, even though Sin went as part of the team to arrest Chief of Staff Chong Sung-hwa, he is known to have gone there, talked with the guard force at Chong's official residence, and returned without taking any action.

After Kim Yong-sam's inauguration, Reserve Maj. Gen. Chang Ho-kyong, deputy director of the Presidential Security Service, and Army College Commandant Kim Kwang-sok were also listed along with Sin as potential candidates for the position of director general of the Security Service.

Chang is a graduate of Pusan High School and a KMA Class 20 member. After serving as DSC chief of staff, he retired and was appointed to his current position. He was regarded as a strong candidate for director general of the Presidential Security Service. General Kim, in comparison, is from Kyongnam High School and is thus a direct underclassman of Kim Yong-sam. Rumors that he would become the next director general therefore began to carry more weight.

In the past, the Presidential Security Service director general played a key role in the president's control of the military together with the DSC commander. It also served as a conduit to the president for the military. Thus the appointment of Pak Song-pom, a former military police officer who was relatively unknown to the outside world, as director general is seen as reflecting President Kim's desire not to have a bloated Security Service through which to control the military. It appears that in the future the defense minister, who is positioned in the chain of command, will carry more weight in such matters. People are watching to see if the Presidential Security Service's role as a window for the military will indeed continue.

Under the civilian government of Kim Yong-sam, the actual role and responsibilities of the defense minister will be commensurate with the title, a departure from the past. Kim Yong-sam's political style is to take all issues and entrust them to a staff member whom he can trust and allow that person a wide breadth of discretionary power. He does not involve himself directly in details. This makes it even more likely that the defense minister will have more actual power than before.

In addition, there are calls for the advisory functions of the DSC commander and the Presidential Security Service director general to be adjusted so that they do not infringe upon the regular chain of command in the new civilian government era. The regular chain of command runs from the defense minister to the JCS chairman and to the individual services' Chiefs of Staff. Compliance with this chain of command is even included as one item of reform.

Number One Reform Condition is Exclusion of "Hanahoe"

There was a subtle battle of nerves between the military and the Kim Yong-sam camp over the question of whether the new civilian government's choice for defense minister would be a military figure or a civilian politician.

A vast number of active and reserve general officers opposed a civilian, stating: "It would be unreasonable

from a mission aspect to give the defense minister's position to a civilian." People within the military were saying that even if an experienced four-star general is appointed to that position, he would be perplexed and bewildered by the complexity of the job for some time. Issues that would overwhelm him include the massive organizational management of the ministry, the Force Improvement Plan, and the establishment of policy to deal with the increasingly complex political-security environment surrounding the Korean peninsula.

During a January 1993 New Year's gathering with the MND press corps, Defense Minister Choe Se-chang said: "Should a civilian with no military experience be appointed as defense minister, he would need around a four-year term to gain a proper understanding of the job and perform his functions." One correspondent asked Defense Minister Choe: "Do you feel that even in the era of civilian government, the job of defense minister must be filled by someone from the military?" Choe's statement above was his oblique way of responding.

After hearing Defense Minister Choe's remarks through press reports, staff in the Kim Yong-sam camp termed this a "deliberate attempt to give the military some influence in the process of selecting a cabinet member in the president-elect's cabinet. He committed a heinous crime." Amid this maelstrom of controversy, one reserve officer on the periphery of the military said: "One type of reform would be to appoint a reserve three-star general or a naval officer to the position of defense minister rather than selecting an Army four-star general."

Although it is a minority opinion, one non-KMA active duty general officer said: "Only when a pure organizational and business management expert with no direct connections to the military is appointed defense minister—not some KMA, ROTC, or OCS officer—will military reform really be possible. He added: "I hope a person with no senior-subordinate ties with the military such as school or region becomes defense minister and implements some objective and fair reforms in the military."

Among all these various voices, however, nearly all officers say unanimously that excluding a Hanahoe officer from selection as the defense minister and the eradication of the Hanahoe is the number one condition for reform. One KMA colonel who asked for anonymity emphasized the following:

"A large majority of officers are looking at one aspect of the new president's personnel selections as he chooses military officers worthy of selection for high-level government positions: whether he selects anyone from the Hanahoe. In particular, if a Hanahoe person goes into the position of Agency for National Security Planning [NSP] director, Presidential Security Service director, DSC commander, or defense minister, no officer will believe any of the new government's reform policies."

This colonel insisted that this was not simple antipathy toward past Hanahoe despotism and tyranny. He provided the following supplementary explanation.

"The reason Hanahoe must be eradicated from officialdom is because of the habit of distorting intelligence reports forwarded to the command. Should a Hanahoe member be placed in the position of NSP director or Presidential Security Service director, the president will never receive a clear and unambiguous report on trends in the military or about popular sentiment. Reports on Hanahoe members will be selectively filtered. There is also the danger that Kim Yong-sam would become nothing but a straw-man president, not being the leader of Hanahoe as President's Chon Tu-hwan and No Tae-u were.

A Closed Circuit That Destroys Regular Chain of Command

Hanahoe members have now advanced into key positions throughout various sectors of society, not only the military. The number of active duty Hanahoe members remaining in the military and the number of those who have separated from service and worked their way into various fields to become influential people are about equal now.

Since nearly all Hanahoe members rise to become general officers, they have occupied influential positions in society even after separating from the military. After entering society, they have been included without exception in either government cabinet posts or high-ranking official positions. Three of the current cabinet ministers are known to be Hanahoe members.

In addition to cabinet minister positions, Hanahoe members also occupy a good number of vice cabinet positions that are not so visible. These include: secretary general or inspector commissioners for the Board of Audit and Inspection; commissioner of the National Tax Administration, National Railroad Administration, Forestry Administration, and Military Manpower Administration; and heads of overseas missions (ambassadors). All of these positions have been obtained through their membership in Hanahoe.

There have been very few instances since the Fifth Republic where a non-Hanahoe member has filled the position of secretary general in either the ruling Democratic Justice or Democratic Liberal Parties. There have been at least a dozen Hanahoe members in both the nationwide constituency as well as district National Assembly seats. With Hanahoe members holding specialties in security and political intelligence administrations, they have also gone far in public security organizations like the NSP.

In addition to these high-ranking official positions, priority has been given to Hanahoe members upon their retirement as general officers for positions on the boards of directors of government-invested companies. These organizations include the Korea Mining Promotion Corporation, the Korean Horse Affairs Association, the

Korea Highway Corporation, the Korean Mint Corporation, the Korea Coal Association, the Industrial Safety Promotion Group, and the Industrial Design Packaging Development Institute. Hanahoe members have been able to go into positions as chairmen of the boards of directors, directors, or auditors whenever they desire.

Hanahoe members have also been regarded as the most optimal candidates for figurehead positions in associations or cooperatives designed by private enterprises to promote joint interests. These associations conduct lobbying activities toward or prevent outside pressures from the government. As there are few instances where Hanahoe members have failed to obtain either high-ranking government positions or positions in government-invested organizations where the "waters are good," there are also actually few instances where retired generals occupy slots in these associations. However, such associations are always grateful to have a Hanahoe member. These include the Construction Association of Korea, the Korea Flour Mills Industrial Association, the Dai Han Sugar Manufacturers' Association, and other various management corporations.

Because Hanahoe members are able to obtain power and money even after they leave the military and enter society, they are able to continue recruiting subordinates and maintain their organization. In managing the Hanahoe organization, there is no absolute need to have a list of names or to hold meetings. Members occasionally make contact by phone, eat or drink together, play golf, or hold family gatherings during joyous or grievous events. Relationships between association members are maintained through such contact. Within such a closed circuit, members form and share a "Hanahoe patriotism, view of history, and standard by which to evaluate real issues."

The 12 December 1979 incident is thus seen as an instance where this closed circuit structure of Hanahoe destroyed the traditional chain of command in the armed forces. If the government fails to block Hanahoe members from influential positions in the military and in each sector of society under the era of civilian government, Hanahoe members may attempt to spread this small-group egoism and treacherous ambition they have fostered in the military throughout society. This was the concern of one high-ranking field grade officer.

Reform of the DSC, the Nervous System of the Entire Military

A restructuring of the organization and mission of the DSC as a major item of military reform is also a consistent demand of a large majority of officers.

Many believe that reform of the DSC will not be difficult as long as the commander-in-chief has the conviction to do so. In other words, the DSC is similar to a tool whose nature changes depending on the way its "owner" uses it. It is logical to separate those DSC activities that are necessary and those that must be changed.

Functions of the DSC that must be retained are those that it possesses as the sole organization overseeing and supervising the entire armed forces. There are very few organizations like the military that are so well secured, like a type of local government. Unified around their commander, the men of the military must risk their lives in war. Thus each unit is organized like an independent community that possesses legislative, judicial, and administrative powers. This is indeed similar to the feudal lord concept under the feudal system.

For example, if a case of fraud were to break out at a division-level unit, there are very few instances when either the MND or the Army Headquarters would become directly involved in the investigation, even when the ramifications of such an incident would be felt in society. As long as a special investigator of the president is not named, or the parliamentary rights to inspect the government are not invoked, the investigation is carried out in that unit by an organization such as the military police, who in turn fall under the command of that unit's commander. The results of the investigation are received by the unit commander, who makes a report based on his own discretion to his higher headquarters, who passes it up the chain of command to the MND. That is all that becomes of the case. The basic military justice system is constructed around the unit commander.

Of course, if a major incident were to break out at an Army subordinate unit, an Army Headquarters investigative team could be activated based on the Army Chief of Staff's command authority. There are very few instances of this happening, however. The Armed Forces Special Inspection Group was established at the MND during the Pak Chong-hui presidency for the purpose of occasional review and oversight of detached units. However, the Special Investigation Unit currently enjoys only a titular existence. Under the Yushin system, the DSC monopolized the role of audit and inspection of the military.

Although the geographic displacement between units is problematic, the great walls that exist between the Army, Navy, and Air Force are also not conducive to oversight. The one element that spreads out over such a vast military organization like a nervous system is the DSC. In other words, if the regular chain of command forms the physical framework of the military, then the DSC is the nervous system.

Viewed positively, the DSC organization is a necessary tool of the president and the defense minister in facilitating their execution of command authority over the military. There are therefore some who feel that the new government should perform surgery only on the negative aspects of the DSC organization and utilize the remainder, as opposed to unconditionally weakening the DSC's functions. A great number of people believe that the DSC is especially indispensable in allowing a civilian president with little knowledge of the military to take control of that military.

If so, then the one question that remains is: How does one deal with the criticism that the DSC has received in the past both from within and outside the military?

First is the matter of civilian surveillance. The DSC maintains that continuing such surveillance is inevitable in order to conduct investigations of communist spies. However, anticommunist activities can be adequately covered by the police and the NSP. If surveillance of civilians by the DSC is eliminated, then naturally the DSC offices that are established in each city and province level through the country must be closed. As can be seen in the attendance of an active-duty colonel who was the head of the Pusan branch of the DSC at a meeting of Pusan district organizations chiefs during the presidential election last year, each DSC unit in the city and provinces still functions as a powerful organization in provincial society. This is a legacy of the era of military government and is something that must be immediately liquidated as a remnant of a backward society.

Second, the DSC's regular observations of trends among commanders in the military must be limited to simple intelligence activities that are not so conspicuous. There are many demands that both personal contact and the exercise of pressure must be forbidden. It is also the majority consensus among officers that the DSC's "Report on Commanders' Trends" must be systematically blocked from being used as important documentation at promotion boards.

Third, the practice of allowing the DSC commander direct access to the president must be eliminated. The DSC's overstepping of authority is seen as originating from such one-on-one meetings.

If one single organization monopolizes state intelligence, corruption and despotism will result. Thus there are some who insist that the NSP and the DSC must be balanced.

Issue of Unified Command System, Core of Control of the Armed Forces

The biggest issue ahead for the military after Kim Yong-sam's inauguration as president is that of pursuing an integrated armed forces structure. At the 1993 Annual Central Meeting for Counter-infiltration Measures held on 20 January, Chairman of the JCS Yi Pil-sop announced a concrete plan to pursue a unified command system. He noted: "A changeover to a unified command system that will raise the economic efficiency of the military and is most suited to realizing future strategy and combat concepts is most urgent." Later in January Yi announced that he would launch a "Planning Group for the Promotion of a Unified Command System" at the JCS. This was intended to publicize the fact that a unified command system was already a fait accompli.

The Presidential Transition Committee in the Kim Yong-sam camp as well as his close aides stepped forth in strong "opposition." They viewed Yi's ulterior motive of raising such an important issue just one month before

the inauguration of a new president as undesirable. The Presidential Transition Committee immediately announced: "There has not been any prior consultation, even during situation briefings provided by the MND." One high-ranking advisor in the Kim Yong-sam camp called both Defense Minister Choe Se-chang's statement that the next minister would be a former military officer, as well as the public announcement made by JCS Chairman Yi Pil-sop on the unified command system without prior consultation "heinous crimes."

The unified command system, however, has been a long-cherished desire of the military. This is an important fact. Although the Navy and Air Force oppose it, this must be dealt with through open debate. A great majority of strategy theorists also are saying that the military must go to a unified command structure.

The Navy and Air Force both say: "Just looking at the positions within the MND or the JCS structure alone, all important positions are being held by the Army. The unified command system is an attempt by the Army to seize control of the military. If that should happen, this would lead not to a force improvement but rather to a weakening of force capabilities due to the degradation of the Navy and Air Force."

Changing the armed forces structure to a unified command system is a positive step when considering only maximization of force capabilities. However, since there is an intertwining of so-called peacetime force control issues such as physical control and management, this changeover is a policy issue that must be cautiously examined and studied by the new government, especially a civilian government.

The current military structure is an eclectic combined command structure. While there is a single chain running from the president as supreme commander-in-chief down to the defense minister, below the minister level there is a dual command structure. One chain runs from the defense minister to the JCS chairman and the other to each of the services' chiefs of staff. Military command issues such as operations and training go from the defense minister to the JCS chairman, to the individual service operations commanders, and then to field army commanders. Military administration issues such as personnel and logistics run from the defense minister to the service chiefs of staff, to the service operational commanders, and then to field army commanders.

This dual-tracked combined command structure was originally designed to prevent the abuses that occur when the authority of one person or one agency in controlling the armed forces becomes overinflated, or when the structure for debating such issues as strategy become undemocratically one-tracked. However, the unified command system eliminates each of the service headquarters and forms a singular chain of command going from the president to the defense minister, to the unified command chief of staff, to each service operational commander, and then to the field commander.

If this should occur, the chairman of the unified command would have all the military in his grasp. This would include general officer promotion authority together with operational command. He would emerge as an extraordinarily powerful leader. Not only that, with the creation of a strong focal point within the military, it would be difficult for either a civilian government or civil society to restrain the military should it develop a strong cohesiveness towards the outside to protect its own interests. These are the problem areas being raised.

As soon as a stir arose because of JCS Chairman Yi's comments, the JCS and MND temporarily backed off. They were not saying that they would not pursue a unified command structure; rather, they implied that they would modify the procedure and method by which implementation would be pursued. The JCS plan is to brief Kim Yong-sam formally on the unified command structure and seek his support after his inauguration.

The new government is due to conduct a scheduled general officer personnel change this coming June. Before then, the government must decide how it will

arrange the military leadership. Although there is a small possibility that they will delay the changes until the end of the year, it will most likely be inevitable for them to appoint new personnel to at least those command positions that lie within the "regime's fence": the DSC commander and the commanders of the Capital Defense Command and the Special Warfare Command.

Meanwhile, the military continues to gaze silently at the supreme command, as though they were situated in the eye of a typhoon.

Correction to Item on Yi In-mo Farewell

SK2203014693

The following correction pertains to the item headlined "Repatriation of Yi In-mo: Farewell Ceremony," published in the 19 March East Asia DAILY REPORT, page 23-24:

Column two, make sourceline read: ...Seoul SEOUL SINMUN in Korean 17 Mar 93 p 22... (correcting date).

Brunei, Malaysia & Singapore

Malaysia

Mahathir Denies Boosting Military Presence in Sabah

BK2003083193 Kuala Lumpur BERITA HARIAN in Malay 15 Mar 93 p 2

[By Othman Mamat]

[Text] Langkawi, Sunday—The prime minister today denied charges that the Federal Government was strengthening the military presence in Sabah by increasing the number of personnel stationed there to serve its political interests.

On the contrary, Datuk Sri Dr. Mahathir Mohamed said that the presence of military personnel was intended solely to ensure peace in the state and had nothing to do with politics.

"As far as I know, the number of military personnel stationed in Sabah is just normal and there are indeed military personnel in the state because of pirates and robbers there.

"We need to ensure that the situation there is peaceful and there are no political motives (for stationing military personnel in Sabah)," he told reporters before returning to Kuala Lumpur after a one-day working visit to Langkawi.

He was commenting on remarks by Fifth Brigade Commander Brigadier General Datuk Jelani Asmawi that some people in Sabah were displeased with the presence of military personnel in the state.

Jelani said that a handful of people in Sabah were displeased with the stationing of the military personnel to maintain peace in the state.

According to the prime minister, the presence of the military personnel in the state is not politically motivated as charged by some circles. On the contrary, they are carrying duties to maintain peace in the country, particularly in Sabah.

The charges are believed to have been made following developments that have caused tension in relations between the central and state governments, including a political crisis involving the Sabah United Party and the United Sabah National Organization.

Dr. Mahathir said that military personnel are indeed needed in Sabah because the state has frequently become a focal point for criminals, particularly pirates and robbers.

However, he said that the number of military personnel in the state remained the same because no new deployment had been made.

"We do not station many military personnel in Sabah; it (the number of military personnel in the state) is just normal.

"I don't know if the present number has increased. As far as I know, it is just normal," he said.

Court Scraps Sabah Law Against Party Changes

BK2003160893 Kuala Lumpur NEW STRAITS TIMES in English 19 Mar 93 pp 1, 5

[By Zaharah Aziz and Tengku Sarifuddin]

[Excerpt] Kuala Lumpur, Thurs.— The Supreme Court today held that the Sabah anti-party hopping law contravenes the Federal Constitution and is therefore void.

Soon after the decision was made, two United Sabah National Organisation (USNO) assemblymen—Nasir Tan Sri Sankaran (Sulabayan constituency) and Datuk Ismail Jook (Balong constituency)—announce here that they were joining UMNO [United Malays National Organization]. They said they would submit their applications soon.

They were speaking to reporters when met at the home of Sabah UMNO deputy liaison chief Tun Datu Mustapha Datu Harun in Petaling Jaya this evening.

Mustapha is at present the sole UMNO State Assemblyman in the 54-member Legislative Assembly where USNO has 11 members. The rest are from Parti Bersatu Sabah [Sabah United Party].

Nasir and Ismail expressed confidence that the other nine USNO Assemblymen would join UMNO to strengthen the party struggle in Sabah despite the overtures by Parti Bersatu Sabah to form a coalition government.

The court ruling follows a reference made to it by the Kota Kinabalu High Court relating to the anti-party hopping law which was passed on 20 May, 1986.

It referred two question which were today answered in the affirmative by a panel of five judges comprising Lord President Tun Abdul Hamid Omar, Chief Justice of Malaya Tan Sri Gunn Chit Tuan and Supreme Court judges Tan Sri Harun Hashim, Datuk Edgar Joseph Jr., and Datuk Mohamed Eusoff Chin.

Hamid said the court had considered the questions carefully and was unanimous in its decision that the Sabah anti-party hopping law was similar to Kelantan's. (The Supreme Court in April last year held that the anti-party hopping law in Kelantan is void.)

"There is no dissimilarity with the previous case we have decided, involving Nordin Salleh and Wan Mohamed Najib Wan Mohamed and the Kelantan State Legislative Assembly.

"We find that the facts and the law involved are similar in all force as in the previous case.

"We are unanimous that the two questions be answered in the affirmative," he said. Hamid added that the court did not propose to give any written reasons as its previous decision had covered all the points argued today. [passage omitted]

Government Plans To Recruit Foreign Engineers

BK2003161693 Kuala Lumpur NEW STRAITS TIMES in English 19 Mar 93 p 11

[By Agnes James]

[Text] Penang, Thurs.—The government plans to recruit software engineers from abroad including China, India and Russia to overcome the shortage of such professionals in the country.

Science, Technology, and Environment Minister Datuk Law Hieng Deng said the government would introduce measures to ensure that such people could enter the country easily.

"We know the current problems which hinder a professional from coming into the country.

"However we can work this out with the Immigration Department where suitable workers can be given working visas or even permanent resident status," he told reporters after touring the Motorola and Intel factories here today.

He said the ministry's Science and Technology Division was currently compiling information from the private and public sectors to find out other areas with shortage of labour.

Law said the Public Services Department was currently looking into different pay schemes to encourage talented professionals to remain in the public sector.

"We are looking at different ladder schemes for the administrative and technical staff.

"This way engineers don't lose out to management staff," he said, adding that Motorola had an interesting scheme that could work for the public sector, he said.

"Previously, graduates would enter the government sector first and only then consider joining the private sector.

"However, today the best students go to the private sector while the rest enter the public sector," he said.

On the escalating technology transfer between Malaysia and the United States, Law said this trend would continue to grow.

"American technology will have to play a big role as we strive to achieve our country's vision by the year 2020," he said.

So far, he said he was impressed by the progress and training given to the local workers by the multinationals.

He said the training had matured the locals whereby many had come up with innovative and creative suggestions.

"This just shows that with the right environment and atmosphere, Malaysians can be equally innovative and creative.

"I was just told that one woman came up with over 1,000 suggestions on how to improve her working environment. This would never have happened before," he said.

Daily Criticizes Opposition's 'Ambiguous' Stance

BK2303095593 Kuala Lumpur BERITA HARIAN in Malay 11 Mar 93 p 10

[Editorial: "The Spirit of 46 Party and the Pan-Malaysian Islamic Party [PAS] Should Make Their Stance Known"]

[Text] The House of Representatives yesterday [as published; bill passed on 9 March] passed the Draft Constitutional Amendment Bill for 1993 with several revisions, including the establishment of a special court to try errant rulers, after it was presented by Prime Minister Datuk Sri Dr. Mahathir Mohamed and discussed by 21 persons.

As many as 173 of the 184 members of parliament were present during the voting process. One hundred and sixty-seven of them supported the draft bill and six, all of them from PAS, abstained. Another PAS MP, Dr. Sanus, Daeng Mariok (Rantau Panjang), was absent. The Spirit of 46 Party boycotted the session. With the absence of the Spirit of 46 Party members and PAS' abstentions, 129 National Front MPs, 20 Democratic Action Party MPs, 14 Sabah United Party MPs, and four independents from Sarawak voted for the draft bill.

The session was historic because the house debated for the first time the Draft Constitutional Amendment Bill for 1993, which was returned after it was not approved by the Conference of Rulers. We praise the debate for being held in a good atmosphere—proof of the maturity of MPs in implementing the policy of parliamentary democracy. Indeed, this is what is expected of them because the matter tabled at the session is not a racial, religious, or parochial issue but a national one, a Malaysian issue. But the most outstanding feature of the session was the attitude of opposition parties. No decisions have ever before been supported by both sides—the government and opposition—at the same time. That they did so this time shows that support for national issues always receives careful attention. This is the sacred voice of the majority of the people.

Unfortunately, the majority votes cast by all sides, including opposition parties, did not involve PAS and the Spirit of 46 Party. The two Malay-backed parties have clearly demonstrated an ambiguous feudalistic stance. In fact, the Spirit of 46 Party pretends to fight for the rulers because it wants to secure the influence and

support of the rulers and feudalists. The rotten egg the prime minister referred to metaphorically when he wound up the debate yesterday [as published; 9 March] has finally fallen on the Spirit of 46 Party itself. The Spirit of 46 Party should be ashamed of itself for consistently seeking opportunities in an obscure situation. Perhaps, it is time for the party's leaders to reassess the party's guidelines, principles, and contributions and work along with government to develop the country.

PAS, which claims to be strictly based on Islamic principles, has openly ignored all these values just because it wants to remain in power. The party prefers to give preeminence to the rulers to support efforts to uphold Islamic principles, such as by limiting royal immunity. We are of the opinion that the rulers have no immunity and PAS should have supported the government's efforts toward this end. The non-support shows that PAS keeps changing. We question whether PAS really adheres to Islam or power. As the prime minister said, the party should adhere to Islam if this is the case and should not renounce these principles or change its mind. PAS policy is likened to a grass that blows according to the wind. The party has very little respect.

We are equally surprised at the statement of PAS Deputy President Hadi Awang questioning the government's action in disclosing mistakes made by rulers and claiming that the government did not explain the amendments to the people. The action by the government and the mass media in disclosing the mistakes was to explain to the people why the government needed to limit royal immunity. Without the disclosures, the people would have been unable to understand the intention to amend the constitution and would not have been aware of the existence of immoral rulers.

Being responsible citizens, we definitely cannot afford to live under immoral rulers. Apparently, PAS can afford to collude with all of them, and we believe that it is doing so because it wants to hold on to power rather than because it is upholding Islam. Of course, this is something abnormal. If PAS and the Spirit of 46 Party want to become feudalistic, they should say so to the people and their supporters. This will prove that the two opposition parties can afford to live under rulers who get away with imported car duties which are not yet paid, and to support the action.

Singapore

Thai Premier Arrives for Three-Day Visit

Holds Talks With Goh Chok Tong

BK2203142793 Singapore Singapore Broadcasting Corporation in English 1100 GMT 22 Mar 93

[Text] The Thai prime minister, Mr. Chuan Likphai, has arrived here for a three-day official visit. Shortly after his arrival, Mr. Chuan was given a ceremonial welcome at

the Istana [palace] where he was met by the prime minister, Mr. Goh Chok Tong. Mr. Chuan also called on President Wee Kim Wee.

During talks with Mr. Goh, both men agreed that the ASEAN Free Trade Area [AFTA] should move to forge a freer trade and the expansion of investment flow. Mr. Goh's press secretary said at the half-hour meeting they also agreed to [word indistinct] AFTA's implementation [word indistinct] investment. They noted that the international economic community has brought closer development in its implementation.

Mr. Goh and Mr. Chuan also discussed investment and business opportunities in the region. Mr. Goh explained the government's reason to encourage Singapore businessmen to go overseas and suggested to the Thai delegation to organize investment seminars.

During his stay Mr. Chuan will also hold talks with the senior minister, Mr. Lee Kuan Yew.

Discusses Economic Partnership, Ties

BK2203150893 Singapore Singapore Broadcasting Corporation in English 1400 GMT 22 Mar 93

[Text] Prime Minister Mr. Goh Chok Tong said Singapore and Thailand can both compete and cooperate for mutual benefit. He said they can find ways to combine strength so that they can compete better against other economic groups.

Mr. Goh was speaking at a dinner for Mr. Chuan Likphai, Thailand's Prime Minister, at the Istana [Palace] this evening. Mr. Goh said the large number of business leaders of the Thai delegation is an indication of the [word indistinct] for both business communities to team up. And with global uncertainties, the (?cooperation) could be extended beyond economic areas to include sociopolitical and security understanding.

In his speech, Mr. Chuan agreed that Singapore and Thailand can have a partnership based on competition and cooperation. Mr. Chuan also said that he supports the concept of growth areas. He said whether it is a triangle or otherwise, a growth area uses ASEAN's collective strength and creates the (?utility) of economic relations. Mr. Chuan upholds Singapore's call to invest in industry in Indochina and other ASEAN countries. He said Thailand, too, will reach out to help the least developed country towards a stronger economy.

Goh Asks Thailand To Cut Tariffs More Quickly

BK2303044393 Bangkok BANGKOK POST in English 23 Mar 93 p 1

[Text] Singapore—Prime Minister Goh Chok Tong of Singapore yesterday called on Thailand to help "set the pace" for the creation of the ASEAN Free Trade Area (AFTA) by cutting tariffs more quickly.

Mr Goh made the appeal during a dinner address at the Istana in honour of his visiting Thai counterpart Prime Minister Chuan Likphai.

The ASEAN member states are formally committed to establish the free trade zone in 15 years. Although the first series of voluntary tariff cutbacks were supposed to go into force early this year, there has been a delay caused by bureaucratic red tape.

The Singapore prime minister told Mr Chuan that the AFTA, which was initiated by former Thai prime minister Anan Panyarachun, has the potential of lifting the economies of ASEAN countries.

Mr Goh urged Thailand to help speed up the AFTA's creation by cutting tariffs more quickly.

"AFTA is now being implemented. I am confident that under your able leadership, Thailand will help set the pace for AFTA.

"We have agreed to progressively bring down tariff barriers to no more than 5 percent over a period of 15 years. If we can achieve this earlier than 15 years, it will be a shot in the arm for the private sector and for our economies," Mr Goh said in his dinner speech.

Mr Goh also said Singapore is encouraging its businessmen to invest abroad, with emphasis on this region, in an effort to enlarge the external wing of Singapore's economy.

"We can both compete and cooperate for mutual benefit," he told Mr Chuan.

In his reply, Mr Chuan said his Government, being aware of rising regionalism in the other parts of the world, has a clear and definite policy of establishing interlocking networks of cooperation among countries in this region.

"I am confident that ASEAN could realise the goal of AFTA much earlier than the 15-year time frame," he said.

Mr Chuan expressed full support for the growth triangle concept raised by Mr Goh during the ASEAN summit held last year in Singapore.

"The growth area, be it triangle, quadrangle, or otherwise is an attractive solution to attract capital which is becoming scarce. I fully endorse it because it would make use of our collective strength and create a new energy of economic interaction," Mr Chuan said.

Mr Chuan emphasised that in establishing interlocking networks of cooperation, countries in the region must "reach out to the less fortunate neighbours in Indochina."

"In this connection, your Government's recent campaign to encourage Singapore's private sector to invest more in Indochina as well as in other ASEAN countries is to be warmly congratulated," he added.

Mr Chuan and his official and unofficial entourage of about 90, including members of the press, left for Singapore yesterday morning in a familiarisation trip after becoming prime minister.

He was accompanied by many Cabinet members high-ranking officials and businessmen including Deputy Prime Minister Amnuai Wirawan, Deputy Prime Minister Supachai Phanitchaphak, Foreign Minister Prasong Sunsiri PM's Office Minister Sawit Phothiwihok Defence Minister Wichit Sukmak Finance Minister Tarrin Nimmanhemmin, Deputy Interior Minister Suthat Ngoenmuen and National Economic and Social Development Board Secretary-General Phisit Phakkasem.

On his arrival in Singapore, Mr Chuan paid a courtesy call on President Wee Kim Wee. He later met Mr Goh at Government House.

Thai government spokesman Aphisit Wetchchawiwa said the two prime ministers stressed economic cooperation between the two countries when they met.

While Mr Goh said Singapore's policy is for its businessmen to invest more abroad, with emphasis in this region especially Indochina, China and ASEAN Mr Chuan invited more Singaporean businessmen to invest in Thailand and urged investors from the two countries to enter into joint ventures.

Mr Chuan said his Government will introduce measures to attract foreign investors.

He told Mr Goh of Thailand's special economic zones such as the Eastern Seaboard Development and Southern Seaboard Development projects and the land bridge across the South.

Mr Aphisit said Mr Goh also assured the Thai premier that over 50,000 Thai workers now in Singapore will be properly protected under its labour law.

Deputy Interior Minister Suthat Ngoenmuen will today meet the Labour Minister of Singapore for further discussion on the issue, Mr Abhisit said.

On military cooperation, Mr Goh thanked Thailand for having provided training for Singaporean troops.

Thai Minister Holds Talks With Labor Minister

BK2303101893 Bangkok Radio Thailand Network in Thai 0530 GMT 23 Mar 93

[Correspondent's report from Singapore on Thai Deputy Interior Minister Suthat Ngoenmun's 23 March meeting with Labor Minister Lee Boon Yang—recorded]

[Text] Deputy Interior Minister Suthat Ngoenmun stated during an interview after meeting with Singapore Labor Minister Lee Boon Yang this morning that they discussed the issue of Thai workers in Singapore. Minister Suthat was assured by the Singapore labor minister that Thai workers will be given fair treatment and good

care because Singapore believes that all workers must come under a single law. There are about 30,000 Thai workers in Singapore, and a number of them are there without legal permits. Concerning this, the Singapore labor minister told the Thai minister that he would be fair with them and make them come under Singapore law. The deputy interior minister noted that there is still a great demand for Thai workers in Singapore.

Cambodia

SPK Cites AFP Report on Akashi-Hun Sen Meeting

BK2303053093 Phnom Penh SPK in English 0423 GMT 23 Mar 93

[Text] Phnom Penh SPK March 23—Phnom Penh Prime Minister Hun Sen met the head of the U.N. Transitional Authority in Cambodia (UNTAC) on Monday over the issue of searches of government offices by U.N. peacekeepers, reports AFP.

The government has complained loudly that the unannounced searches of provincial offices violates their rights.

Hun Sen used harsh rhetoric to condemn the searches in a letter last week to UNTAC Chief Yasushi Akashi.

"The case of UNTAC officials (who) gathered the administrative officials, made an unwarranted search and forbade them to leave for many hours constitutes a disgusting act which reminded me of those committed by the Pol Pot regime," the prime minister said.

UNTAC Spokesman Eric Falt denied that anyone was detained during the searches in Prey Veng, Takeo, Kandal, and Kompong Cham provinces.

"We were rather surprised that the authorities in Phnom Penh would have these complaints," he said.

The searches were carried out in accordance with UNTAC's powers of control over the five key areas of governance, for which UNTAC has been criticized up to now as being too soft.

UNTAC has not said what documents it found in these searches.

The meeting between Akashi and Hun Sen was also attended by UNTAC's heads of civil administration, human rights, military affairs, civilian police and the U.N. body's senior legal advisor.

Hun Sen Receives UNTAC Civil Administration Chief

BK2003080093 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 19 Mar 93

[Text] At 1900 on the evening of 16 March, during his working visit to Prey Veng Province, His Excellency Hun Sen, chairman of the Council of Ministers of the State of Cambodia [SOC], and his wife together with all members of his delegation, received (John Buchanan), chief of UNTAC [UN Transitional Authority in Cambodia] Civilian Administration attached to Prey Veng Province.

The two sides paid attention to the implementation of the 23 October 1991 Paris peace agreement of which, in the past as well as at present, the SOC side has implemented correctly, not more nor less.

The two sides also agreed to continue cooperating closely and do everything possible to promote a neutral political atmosphere, thus ensuring that the coming election at the end of May is held successfully, correctly, and justly.

Government Soldiers Said To Mutiny in Kompong Thom

BK2303012493 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Mar 93

[Excerpt] On 21 March, many puppet soldiers from the 5th Division stationed in Kompong Thom demonstrated against the Kompong Thom provincial puppet leaders, who have not paid them for two to three months.

The demonstrators, who are now surrounding the military office of the 5th Division in Kompong Thom, lobbed grenades and fired on the local army command post and the provincial town hall; some B-40's were used. Cambodian soldiers are at present deserting toward Stoeng Sen river. These puppet soldiers angrily shouted that there was no pay, no medicine, and no rice. Moreover, they have been forced to fight and die on behalf of the puppet leaders.

In Kompong Thom, as well as in other places throughout Cambodia, the puppet currency is no longer used, from the 50- and 100-riel denominations to even the 500-riel denomination. Cambodian soldiers in Kompong Thom do not even have riel bank notes. In Kompong Thom only dollar bills are used. Where would soldiers get dollar bills from? [passage omitted]

Paper Interviews Liberal Democratic Party Chief

BK2303095793 Phnom Penh KAOH SANTEPHEAP in Cambodian 19 Mar 93 pp 1,3,4

[Text] Sak Sutsakhan, chairman of the Liberal Democratic Party [LDP], was interviewed by a representative of KAOH SANTEPHEAP at 0930 on 14 March. The following is the content of the interview:

We established our party, called the LDP, in 1990 when we were conducting a struggle in a protracted war. This is because I believed in international opinion, which predicted that the war in Cambodia would one day come to an end. We gathered resistance forces fighting along the western border of the country to organize the first party congress. Also, after my return to Phnom Penh I organized in June 1992 the second congress at the Olympic National Stadium where a great number of Cambodian compatriots inside and outside the country were present. We formulated our party statutes and mapped out our fundamental policies by taking into account the aspirations of the people, who are keen to take part in the election of the country's leaders, and we envisioned measures to rehabilitate and save the country from peril.

The LDP wants national reunification among the Cambodians and wants the latter to join hands to definitively bring about peace—that is, to heal our wounds. From now till the upcoming elections, we should join forces to find a way to mend the rift between the Cambodians. A true democracy means that any party, including my party, that wins the elections should take into account the people's will. Any minor or majority party that wins should adhere to a policy in agreement with the desires of the people, who do not want to see war, and should only resort to peaceful means and avoid armed conflicts. More importantly, attention should be paid to developing the countryside and improving the living conditions of the rural people who are living in misery and still using manpower as a means of farming production. We should develop our agriculture with the use of tractors and mechanical tillers, restore bridges and roads between villages, and promote the health and educational sectors.

In my opinion, communism can never return if we succeed in effectively developing the rural areas. For our economy, we should do our utmost to help our people use a minimum of resources to produce high output; and the state should help rebuild the country with the appropriate use of our natural resources—such as timber, precious stones, oil—which constitute our nation's hard currency. Tourism is also a sort of economic activity, as there are temples everywhere in our country—such as in Siem Reap, Battambang, Oddar Meanchey, and Preah Vihear provinces. We can earn a great deal of income from this sector by creating favorable conditions for international tourists.

If we were reunited and had a suitable political program, our compatriots would not leave the country; they would return and use their technical expertise to help rebuild the country.

Answering our question about the border issue, Sak Sutsakhan pointed out that if the Cambodians were reunited, they would be strong and could solve everything. We have a host of documents kept at the UN headquarters that no one can burn. So we should solve the issue through political, not military means. A new government is duty-bound to settle the border issue with

the countries in the west and the east. However, in case there is disagreement on the original documents, the United Nations will be given the responsibility of ensuring an international guarantee of the country's territorial integrity signed by the five major powers.

As for the armed forces, including the military and police forces, they should be unified because the remaining 30 percent of our troops and the remaining 30 percent of the troops of the Phnom Penh Government and FUNCINPEC [the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] can be amalgamated and given new technical training. The issue of Khmer Rouge troops, who have rejected the demobilization, can be considered later.

At the end of the interview, Sak Sutsakhan urged the people to minutely scrutinize each party's fundamental policy and political program before deciding to vote to choose their real representatives at the National Assembly.

Indonesia

Paper Protests 'Absurdities' in Cambodia

BK2003144393 Jakarta KOMPAS in Indonesian
20 Feb 93 p 4

[Editorial: "Absurdities, Challenges and Garuda Contingent's Commitment in Cambodia"]

[Text] Our thoughts and emotions were disturbed when we heard that four members of the Garuda XII were injured by a landmine explosion. We only protested in a muted manner—why should the members of the peace-keeping team become victims of aggression?

We became instantly aware that the disaster which Lieutenant Colonel (Police) Henri Askhari, Lt. Col. (Infantry) Saptaji Siswaya, Captain Muslim (Armed Forces) and Regional Commander Ilham Adulahsyam experienced indicated the cruelty the Cambodian front has to offer and the difficulties the country is experiencing.

The victims, including their colleagues in the Garuda XII Contingent who were specially handpicked, are high-spirited, young and brave soldiers who are obsessed with maintaining peace outside their own country.

By sending them on a peacekeeping mission to Cambodia, which is not their motherland, such an action has fortified their imagination and collective awareness that we are a nation which considers peace and unity, above all, as most important. Thus, it would be acceptable if Lt. Col. (Police) Henri Askhari received a hero's welcome upon his return—not for fighting the enemy at the battlefield, but for fighting against depravity and difficulties in Cambodia. In the eyes of the world, Henri and his colleagues were victorious in their commitment to maintain peace.

Besides, in relation to the disaster faced by the four members of the Garuda XII contingent, we discovered an irrationality. The four soldiers had become instruments for peace in Cambodia. But ironically, they were the victims of aggression. Dialectics of world history constantly project irony. For example, the Indian spiritual leader, Mahatma Gandhi, who led an ascetic life and was an advocate of peace, fell to the bullet of a Hindu fundamentalist. Thus, a warrior's fate can sometimes prove tragic.

Historically speaking, the tragic and ironic experiences encountered by soldiers mostly become stepping stones for reforms. In trying to achieve progress and well-being, there is a definite need for sacrifices from soldiers, their pioneering spirit, interest in changing status quo [preceding two words in English] and courage in facing risks for the sake of reforms.

The Garuda XII team was not ignorant of the fact that they would encounter obstacles and risks while serving in Cambodia, which was known as The Killing Field [preceding three words in English] during the 1970s. But the team's commitment and obsession toward peace superseded all risks.

Indonesia's teams are experienced because they had participated in numerous UN-sponsored peace missions. As a member of the world community and the UN, Indonesia had, on numerous occasions, participated in forming peacekeeping contingents. These contingents always leave for their mission with high spirits and return home with good commendations.

Looking back momentarily, Indonesia first began sending its peacekeeping contingent to the Gaza Strip in Sinai, which lasted from 5 January 1957 to 12 September 1957, to monitor the Israel-Egypt ceasefire. The Indonesian peacekeeping contingent, which is better known as the Garuda Contingent, had also served in Congo (currently Zaire), Vietnam, the Iran-Iraq border and Namibia (Southwest Africa). The dispatch of the Garuda Contingent to Cambodia is the 12th in the series since Contingent I was first sent to the Gaza Strip some 36 years ago.

Such peace missions constantly face dangers and challenges. The disaster which befell the four members of the Garuda XII Contingent further projected the risks which the UN peacekeeping forces constantly encounter.

The price for peace in Cambodia is very costly. Apart from the UN peacekeeping forces being infected by diseases and injured by landmine blasts, the peace operation needs huge funding, which amounts to around U.S.\$3 to U.S.\$5 billion (6 trillion to 10 trillion rupiah) for a two- to three-year period in Cambodia. This amount was calculated for such an operation only beginning from the middle of March 1992.

The prospects for the settlement of the Cambodian problem have, nonetheless, turned sour due to aggravation by the Khmer Rouge, which was acknowledged to

have boycotted the upcoming May general elections. Up till now, there has been no assurance that the election program can be implemented.

The indecisiveness was the result of the Khmer Rouge's uncooperative stance with the United Nations Transitional Authority in Cambodia (UNTAC) [preceding seven words in English] and its reluctance to cooperate with the other Cambodian factions.

The effort to solve the Cambodia problem is currently amid the rapid and swirling current of ongoing global reforms. The settlement of the Cambodian problem was full of optimism when foreign intervention ceased and the international community pledged their support for UNTAC to end the 15-year crisis.

Cambodia, which was once nicknamed the land of smiles in the French documentary film, *Connaissance du Monde* [preceding three words in French], produced by Marcel Talbott during the 1960s, now only remains a myth. Cambodia is currently inundated by aggression and bloodshed. Cambodians, who previously thrived peacefully alongside one another in accordance with Buddhism, have turned their nation into a land of hate and belligerence.

Aggression, oppression, and cruelty have become part of life in Cambodia. These form the symbol of irrationality in Cambodia. Animosity and bloodshed are evidence of absurdities and irrational life in Cambodia over the past 15 years. Based on this, we fervently hope for a radical reform in Cambodia so that it could again transform itself into a land of smiles.

1992 Paddy Production, Quality Discussed

BK2203141793 Jakarta SUARA PEMBARUAN in Indonesian 5 Mar 93 p 4

[Text] Jakarta 5 Mar—The price of of unhusked paddy in several districts such as Subang, Indramayu, and elsewhere outside Java Island is becoming lower than the price fixed by the National Logistics Bureau because it is paddy that is left to dry in the field and not through the milling process.

Agriculture Minister Wardoyo told newsmen "the quality of paddy produced by farmers did not meet the standard fixed by the agency; therefore, their paddy would only fetch a lower price than the agency's fixed price if they sell their output to village cooperative units. As a result they have to sell their paddy to the public market. If all farmers sell their paddy to the public market, they will get a lower price." Wardoyo, who was accompanied by Junior Agriculture Minister Sharifudin Baharshah, reported on sales of paddy to President Suharto at the presidential private residence on Cendana Road, Jakarta, on Thursday.

According to Wardoyo, his party has held discussions with Bustanil Arifin, minister of cooperatives, who is currently the head of the National Logistics Agency, on the matter.

Due to the fact that the quality of paddy produced by farmers could not meet the agency's standard, most bulk of the paddy that is supposed to be sold to cooperative units is sold to ordinary traders. Wardoyo said "in the past the logistics agency tolerated the substandard quality of paddy brought in by farmers, but eventually the agency could not accept it anymore because it was facing more losses buying paddy seeds that were mostly of inferior quality."

It was reported to the head of state that paddy production in 1992 amounted to 47.769 billion tons. When compared to 1991, paddy production increased by 6.45 percent in 1992. The increase was much more than the third forecast of 5.8 percent made in 1992. The reason was due to the expansion of cultivation fields covering an area of 10,977 hectares.

According to the first forecast, paddy production in 1993 is expected to be 47.691 billion tons, or a decrease of 0.16 percent when compared to production in 1992. However, the figure shows an increase of 6.34 percent when compared to paddy production in 1991.

Minister Wardoyo also reported to President Suharto that due to the flood that hit West Java, Central Java, and East Java Provinces recently, 133,539 hectares of paddy fields were flooded. Most of the affected areas were in Central Java. On the whole, paddy crop in the three provinces covering an area of 49,490 hectares was destroyed. Not less than 78,461 hectares of paddy crops were affected by the flood, leaving crop on 24,380 hectares to become disfigured. About 12,927 hectares of secondary crops were affected by the recent flood and crops on 4,418 hectares became disfigured.

New Satellite Slated To Begin Operations in 1995

*BK2003080693 Jakarta Radio Republik Indonesia
Network in Indonesian 0600 GMT 20 Mar 93*

[Text] The Palapa C satellite, whose coverage area will be wider than that of the Palapa B-2P satellite, to serve domestic communications and to be leased to interested neighboring countries is expected to be operational in October 1995. Setyanto P. Santoso, president director of P.T. Telkom [Telecommunication Company Limited], said in Semarang this morning that the Palapa B-2P satellite, which is still in its orbit, will last just 30 more months. Thus, its replacement is immediately needed. It will take at least between 28 months and 30 months to manufacture a Palapa-type satellite. The Palapa B-2P satellite covers Thailand, Malaysia, Australia, and Vietnam, but the Palapa C satellite will also cover Japan and Korea.

According to Setyanto P. Santoso, the entire Palapa C satellite project costs about 600 billion rupiah. The

government, however, is cooperating with the private sector in undertaking the project.

Laos

Party Organ Marks 38th Anniversary of Party

*BK2203062393 Vientiane Vitthayou Hengsat Radio
Network in Lao 0000 GMT 22 Mar 93*

[PASASON editorial: "Highly Enhance The Unique Solidarity And Leading Characteristics in the Contingent of Cadres and Party Members"—dated 22 March]

[Text] Today, 22 March, marks the 38th founding anniversary of the honorable and elegant Lao People's Revolutionary Party [LPRP]. Cadres and party members, together with the entire multiethnic Lao people, feel very proud and elated to have the LPRP—a sacrificial party consistently loyal to the interests of the nation and the people—as the leader. In actual practice, the LPRP has systematically brought peace, happiness, prosperity, progress, and strength to the nation and people. Cadres and party members, as well as the multiethnic Lao people, would like to extend wholehearted greetings to the honorable, elegant LPRP on the occasion of its 38th founding anniversary. On this occasion, the multiethnic Lao people also would like to express affectionate mourning to the soul of Comrade General Secretary Kaysone Phomvihane and other deceased comrade party leaders and party members. The multiethnic Lao people have always been grateful to the party. They have always united around the party and been determined to follow its guiding path forever.

Since its founding, the LPRP has resolutely led the people in carrying out the struggle and achieving eventual success in liberating the country, continually pursuing the ideals of the Indochinese Communist Party, though still young and weak. Afterwards, the LPRP has continued to lead the entire multiethnic Lao people in carrying out the struggle to defend and build the country until the present time. On the leading path of the struggle in each period, cadres and party members have experienced sufferings and sacrificed their lives. A large number of cadres and party members were arrested and detained. They were viciously assaulted and tortured. But, under all circumstances, the noble and glorious LPRP, under the clear-sighted leadership of the late, beloved, and respected General Secretary Kaysone Phomvihane, has never been moved or shaken. When one comrade fell down, many others rose up and continued to fight. This is considered the LPRP's precious tradition of resolute, unyielding struggle, the tradition that all cadres and party members must learn and continue to put into practice.

The LPRP has always taught us that we must all maintain the unique solidarity within the ranks of the party in the same way as we take care of the apples of our own eyes. It has also noted that it is necessary to maintain a correct and firm organization in order to gain an

increasing strength. To guarantee the firm unity in the political, ideological, and organizational fields, it is necessary to carry out strict self-criticism and criticism of each other. This is considered the tradition and rule for development of our party. The LPRP has clearly acknowledged that the sources of party's strength are the masses. The party has maintained no other interests than the interests of the masses. This is why it has closely maintained the organic relations with the masses. In view of this fact, it is required that all cadres and party members closely associate with the masses and encourage the masses to take part in building the party so as to select good party members and strengthen grass-roots party units as well as party committees at various levels. It is also required that all cadres and party members, as well as the entire multiethnic Lao people, always keep in mind the party's meritorious deeds towards our nation and people as well as the traditions and various lessons that we have learned from the party's leadership in order to use them as examples to follow. This is because the lofty ideals and final objective of the LPRP is for nothing else but the happy and plentiful life of the multiethnic Lao people and the prosperity and strength of the nation.

All cadres and party members are requested to take this occasion to collect and to learn the aforementioned fine traditions and to adhere resolutely to the lofty ideals of the party through actual deeds, that is to say, to strengthen the solidarity, to enhance the unification and the leading characteristics of the cadres and party members, and to oppose various negative phenomena in order to contribute to enabling the party to promote to an ever higher level its responsibility over leading the higher levels. All cadres and party members must be industrious in training and tempering themselves, act as examples in respecting the constitution, take the lead in implementing the laws as well as the various rules and regulations of the country, and pay attention to organizing the masses and participating in the mass movements to translate into reality the line, plans, and policies of the party and state. In the immediate future, all cadres and party members must act as examples and take an initiative in leading the multiethnic Lao people to successfully implement the national socioeconomic development plan from now until the year 2000.

Only by effectively carrying out the aforementioned tasks can our Lao people enjoy a plentiful life, can our nation be developed and become stronger, and can our party's lofty ideals be successfully fulfilled at each stage. Long live the honorable, elegant LPRP!

Saman Vi-gnaket Addresses Cadres

BK2203151193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 22 Mar 93

[Text] On the occasion of the 38th founding anniversary of the Lao People's Revolutionary Party [LPRP] on 22 March, many ministries, ministerial-level organizations, services, Army units, and departments in Vientiane,

such as the National Assembly, the Lao Front for National Construction, the Ministry of Information and Culture, and other services, held celebrations, meetings to exchange views, and talks to recall the traditions of LPRP leadership in the past 38 years in their respective units with the participation of their chairmen, vice chairmen, standing committees, party members, ministers, deputy ministers, cadres, and state employees.

At the National Assembly, Saman Vi-gnaket, Political Bureau member of the LPRP Central Committee, addressed cadres and party members attached to the assembly. In his address, Saman Vi-gnaket pointed out the true nature, qualifications, objectives, growth, development, and leadership of the party in carrying out victorious struggles since its founding. At the same time, he also stressed the roles, duties, and obligations of party members in modifying their viewpoints and stands in conformity with the comprehensive restructuring of the party and the rapidly changing international situation. He noted that while joyously celebrating the 38th founding anniversary of our party by the people, cadres, party members, and state employees, he expressed profound grief about the passing away of President Kaysone Phomvihane and Sisomphon Lovansai, beloved leaders of our party and people.

Minister Accepts Medical Aid From Thai Government

BK2303075993 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 23 Mar 93

[Text] On the afternoon of 19 March, Colonel Chinawut Sunthonsima, minister attached to the Prime Minister's Office of Thailand, on behalf of the Government of the Kingdom of Thailand, presented medical equipment, two ambulances, and a number of medicines, worth more than 21 million Thai baht, as aid to the Government of the Lao People's Democratic Republic [LPDR]. The ceremony was held at Lan Xang Hotel in Vientiane capital. Accepting the aid materials on behalf of the LPDR Government was Phao Bounnaphon, minister attached to the Prime Minister's Office. The ceremony was attended by deputy ministers of public health, deputy ministers of education and sports, and chairman of the Lao-Thai Friendship Association, along with a number of high-ranking officials concerned from both sides.

The aid was given as part of the further implementation of the Lao-Thai technical cooperation project for 1992-93. In previous years, the Thai Government also rendered aid in terms of medical equipment as well as educational and public health tools to the Lao Government. In the near future, the Government of the Kingdom of Thailand will also give medical equipment, which is not worth less than the value of the aid given on this occasion, as additional aid to the Lao Government.

PRC Delegation Visits Phong Saly Province

BK2303081993 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 23 Mar 93

[Text] On the afternoon of 20 March, a party and state delegation of Xishuang Banna region of PRC's Yunnan Province led by (Shen Jifen), secretary of the party committee of Xishuang Banna region, paid an official friendship visit to Phong Saly Province of the Lao People's Democratic Republic [LPDR]. The visit was in response to an invitation of the governor of Phong Saly Province.

During its stay in Laos, the PRC delegation from Xishuang Banna held a consultative meeting with a delegation of Laos' Phong Saly Province. The two delegations exchanged views and assessed achievements won in implementing cooperation plans in various fields in the previous years. They also discussed and jointly adopted direction and plan for socioeconomic development cooperation between the two provinces in the years to come. The plan is intended to further strengthen, in an ever more effective manner, the friendly relations and cooperation between Phong Saly Province of Laos and Yunnan Province of the PRC.

Philippines

Manila Seeks To Upgrade Ties With Latin America

HK2203042093 Manila THE MANILA CHRONICLE in English 22 Mar 93 p 2

[Text] The Philippines is determined to cultivate ties with Latin American countries at a time when these nations are increasingly looking towards Asia, Foreign Secretary Roberto Romulo said yesterday. Manila's ties to the region should also get a boost from changes in ambassadors that the Department of Foreign Affairs [DFA] is recommending, such as New York consul general Rodolfo Arizala's posting to Chile. The Philippines will also have a new envoy to Brazil, Jose Macario Laurel IV, and a new ambassador to Mexico.

"There should be renewed focus with our new ambassadors" to the region, Romulo told reporters after the DFA trained its sights on relations with the United States, Japan and the European Community. In the past two days, he has met with key officials from Mexico and Chile who have expressed their governments' desire to step up "economic cooperation" with the Philippines.

Hector Cardenas, Mexico's assistant secretary for Asian affairs, called on Romulo the other day and invited him to visit Mexico. Cardenas noted that Mexican-Philippine diplomatic ties would mark their 40th year this April. Mexican President Carlos Salinas de Gortari will go on an Asia-Pacific swing in May and visit Asean countries Indonesia, Singapore and Malaysia, apart from South Korea and New Zealand.

The Philippines is not on his itinerary, but some DFA officials have suggested that Manila invite Salinas to drop by to strengthen ties with the Hispanic bloc and boost ties at a time when the North American Free Trade Agreement has been formed.

Romulo, who met with Chilean Ambassador Patricio Rodriguez, remarked: "We anticipate that with the change of ambassador to Chile, there should be a way of generating renewed focus." The enthusiasm is such that DFA officials believe President Ramos could even go eventually on a state visit to Chile, where the Christian Democrats also play a key role in government.

Romulo said the Philippines should develop closer ties with Argentina, Brazil and Chile, noting that these countries were beginning to show significant trade ties with Asian countries such as Malaysia. Arizala, who has been accepted by the Chilean government, is married to a Chilean.

Elsewhere, other new ambassadorial appointments are Francisco Benedicto for Seoul; Oscar Valenzuela to Tehran from Jakarta; Eusebio Abaquin to Jakarta from his current posting in Brunei; and Edmundo Libid to Kenya, where he is now charge d'affaires.

Thai Premier To Visit Subic During Manila Visit

HK2203091393 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT

[News conference by President Fidel Ramos with unidentified foreign and domestic correspondents at Malacanang Palace in Manila; in English; broadcast in progress—live]

[Excerpt] [passage omitted] [Correspondent] Thai Premier Chuan Likphai is scheduled to hold an official visit here within the week; what will be the focus of your discussion with the premier?

[Ramos] It will be a follow-up of our first meeting in Bangkok, and he is bringing with him some 80 or 82 leading Thai businessmen and industrialists. The prime minister expressed a desire to see Subic, and that is being arranged for him. The businessmen will also be seeing Subic, but they will also make use of their time to fan out to their respective sectors since there are many agreements and joint-ventures and partnerships that already have been initiated during our visit in December. Hopefully, in the second encounter between Filipino and Thai businessmen that some fruitful agreements will be forged.

In fact, this will be the third one because the Thais sent a high-powered business delegation last month, headed by the chairman of the Bank of Bangkok, which is the biggest bank in Southeast Asia. [passage omitted]

Government Creates Mindanao Civil Defense Plan*HK2303035293 Manila Far East Broadcasting Company in Tagalog 0300 GMT 23 Mar 93*

[Text] The government has acted to protect the citizens from the current wave of bombings in the South. A civil defense plan is being drawn up to prevent possible violence, especially in Western Mindanao. This is contained in a directive of Rafael Alunan, secretary of the Department of Interior and Local Governments, to Regional Police Director Job Mayo of Regional Command 9, which has jurisdiction over the provinces of Zamboanga del Norte, Zamboanga del Sur, Basilan, Tawi Tawi, and Sulu. The plan, Alunan said, involves mobilizing the organized sector of the citizenry to give information, communication, medical, transportation and food supply support to authorities. But Alunan clarified that the contingency measures will concentrate on assuring safety for the people.

MNLF Said Planning 'Extensive Attacks'*HK2303111793 Quezon City ABC-DWET Television in Tagalog 1000 GMT 23 Mar 93*

[From the "ABC-DWET News Program"]

[Excerpt] The incidents of violence in Basilan and Zamboanga City are part of a Moro National Liberation Front [MNLF] terrorist plot. This was the summary of an official intelligence report received by ABC-DWET News. President Fidel V. Ramos has reportedly ordered Raphael Alunan, Department of Interior and Local Government secretary, to declassify and relay the contents of the intelligence report.

The confidential documents reported that after the end of Ramadan [Muslim religious festival] the MNLF will launch extensive attacks against areas where Christians are residing. The MNLF reportedly plans to attack the towns of Maluso, Isabela, and Lamitan in Basilan, as well as the cities of Zamboanga, Davao, Cagayan de Oro, Iligan and Cotabato. The arson and bombing plans will reportedly start today and tomorrow. The report further identified eight MNLF commanders as initiators of the plan. Commander Abdul Rajah Abu Bakhar is reportedly the brains behind the terrorist plot. Abu Bakhar is also said to be identified as Commander Abdul Sayyap. Sayyap was earlier reported to have caused recent Mindanao bombings. Intelligence experts who investigated the document fear the violent incidents might affect even Muslim areas. The reports also say that the government has no current plans to send additional forces in order to face the alleged terrorist plot.

Meanwhile, military investigations have reported that a not-so-popular Muslim rebel commander may be responsible for the recent Mindanao bombings. Defense Secretary Renato de Villa said Commander Sayyap, through a letter sent to Southern Command General Romeo Zulueta, earlier threatened to initiate terroristic activities.

De Villa, on the other hand, stressed that the recent bombings will not disrupt the Autonomous Region of Muslim Mindanao [ARMM] elections. De Villa added there are already eight bombing incidents in several parts of Mindanao in the past four days. Intelligence, he said, is yet unsure if such incidents are connected with the ARMM elections. The Philippine National Police and the Armed Forces of the Philippines, De Villa concluded, are investigating the possible connection due to the timing of the bombing incidents. [passage omitted]

500 MNLF Rebels Surrender in Iligan City*HK2303045693 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 23 Mar 93*

[Text] Former Senator Aquilino Pimentel expects total reconciliation between the Moro National Liberation Front [MNLF] and the government. This was the gist of Pimentel's speech during the surrender of some 500 MNLF rebels under Commander Abus Alanko in Iligan City. The surrender, Pimentel said, is a meaningful indication of the MNLF rebels' trust in the government's reconciliation program.

Pimentel said several splinter groups or lost commands of some rebel groups may be the ones responsible for the latest wave of bombings in various parts of Mindanao. The surrender ceremonies in Iligan City were attended by Pimentel, Regional Command 9 Commander Job Mayo Jr., and Governor Bobby Dimaporo. The rebels also surrendered various high-caliber arms. The group's leaders said they believe in the Ramos Government's programs, and they expect that through these they would be able to start a new life.

Government officials who attended the ceremonies also said the former rebels should get the benefits being offered by the government to rebels who heed its reconciliation call.

2,000 Reportedly Surrender in Marawi*HK2303115293 Quezon City ABC-DWET Television in Tagalog 1000 GMT 23 Mar 93*

[From the "ABC-DWET News Program"]

[Text] About 2,000 Moro National Liberation Front [MNLF] and Moro Islamic Liberation Front [MILF] commanders and members surrendered yesterday in Marawi City. House Speaker Jose de Venecia, together with some officials accepted the surrenderees in the name of President Fidel V. Ramos. De Venecia said the surrender is the beginning of demilitarization in the area. The MILF surrenderees were led by a certain Commander Kathleen while the MNLF group was led by Commander Mustafa Adiong.

Thailand

Democrats Warn Coalition, Hint at Reshuffle

BK2303015793 Bangkok THE NATION in English 23 Mar 93 pp A1-A2

[Text] The Democrat Party, in the sternest warning to date to its four partners in the coalition government, yesterday asked them to stop their harsh criticism of the party and hinted at the possibility of a Cabinet shake-up to replace some of them.

Democrat Party secretary-general Sanan Kachonprasat, speaking to reporters at Don Muang airport, also angrily demanded that coalition partners demonstrate sincerity in working together under the leadership of Prime Minister Chuan Likhai.

"We must make them show their sincerity, whoever they might be. How can we go on being insincere with one another?" Sanan said when asked to comment on the alleged divisiveness among coalition government partners.

Leading members of the Phalang Tham Party, reacting to Sanan's outburst, denied that the party was considering abandoning the coalition government and reaffirmed its commitment to the partnership in the Chuan Administration.

The coalition government has shown signs of growing internal rifts, evidenced by frequent public criticism and news leaks to the press directed against the Democrat Party, the core of the coalition government, by members of the other coalition partners.

Among the coalition government partners, members of the Social Action and Phalang Tham parties have been particularly critical of the Democrat Party.

The Social Action Party has apparently imposed a code of silence on its members after Prime Minister Chuan, leader of the Democrat Party, asked them to observe "political etiquette" by refraining from exposing problems among members of the coalition government.

Social Action leader Montri Phongphanit, who is not a member of the Cabinet, has criticized the Chuan Administration for its over-sensitivity to press criticisms that hampered the government's performance.

Phalang Tham Party leader Bunchu Rotchanasatien said recently that the Phalang Tham Party will rethink its role in the coalition government if the Chuan Administration fails to achieve some of its objectives in the next six months.

Asked to comment on Bunchu's statement, Sanan said he would seek a meeting with Phalang Tham founder Chamlong Srimuang, with whom he had negotiated when persuading the Phalang Tham to join the Democrat Party-led coalition government.

"I will speak only to Maj Gen Chamlong," the Democrat secretary general said. "Bunchu Rotchanasatien is too high up there. How am I supposed to talk to him?"

He said he was satisfied with the Chuan government's performance in the past six months and that he was not perturbed by criticism that the government had not achieved anything worthwhile.

"Whoever says the government has achieved nothing, let them," Sanan said. "All Cabinet ministers are working hard. But we cannot expect our working style to please everyone."

The Democrat secretary-general brushed aside Bunchu's criticism about the government's lack of substantial achievement, saying: "Bunchu can evaluate the government performance in whatever way he wants and make whatever decision that pleases him."

On the investigation of Democrat MP [Member of Parliament] for Phayao, Witthaya Srichan, whose absence from a House committee on communications cost the Solidarity Party, a partner of the coalition government, the chairmanship of the panel Sanan said he was handling the case himself.

"Witthaya will be expelled from the Democrat Party if he is found to have been negligent, if he had not tried his best to come back to attend the House committee meeting due to spending his time gambling in casinos as charged," the Democrat secretary-general said.

"What more assurance do they [Witthaya's accusers] want from me? All this criticism must stop. The Democrat Party has strict rules and a code of conduct. We are not a petty political party."

Asked to comment on accusations by certain Phalang Tham Party MPs that the Democrat Party was being protective of Witthaya, Sanan said: "They must stop being so suspicious. If Witthaya was at fault, how can we hide the fact. I have shown my sincerity. They must stop criticizing [the Democrat Party] now." Witthaya's case also antagonized Phalang Tham Party because Samak Suntharawet, leader of the opposition Prachakon Thai Party, a former communications minister and expert on transport and communications was an arch-rival of the Phalang Tham Party. Samak, as chairman of the House committee on communications, could complicate the work of Communications Minister Winai Somphong of Phalang Tham Party.

On the speculation about the possibility of Chat Phatthana replacing one of the current coalition partners, the Democrat secretary-general said: "I'm waiting to hear what they [Chat Phatthana leaders] have to say about it. Actually I'm keeping a close watch on all parties."

Air Force Chief Calls for End to Bickering*BK2303051793 Bangkok BANGKOK POST in English
23 Mar 93 p 3*

[Text] Air Force Chief ACM [Air Chief Marshal] Kan Phimanthip yesterday called on the coalition parties to stop infighting and turn to help each other and work for the country.

Speaking after seeing Prime Minister Chuan Likphai off to Singapore, ACM Kan said:

"It is normal for the Government to have differences because it's a coalition of many parties. We should let them solve problems among themselves.

"I believe everyone has the same intention to contribute to the good of the country. All in-fighting should stop."

ACM Kan said the armed forces will not interfere in the Government's affairs but will keep watching its performance.

"Soldiers and the Government are getting along well. The Prime Minister did not leave anything for us to take care of before leaving (for Singapore) because he knows that we support the Government," he said.

Concerning this year's military reshuffle, ACM Kan said there will be no problem as far as the air force is concerned and no matter who became the new air force chief he will be able to coordinate well with the Government.

Asked if air force officers involved in the May bloodshed last year would be considered for the top air force post, ACM Kan, who will retire this year, said all capable officers were qualified for the post.

Deputy FM Urges Multilateral Efforts With UN*BK2303030993 Bangkok THE NATION in English
23 Mar 93 p A3*

[Text] Deputy Foreign Minister Surin Phitsuwan yesterday urged countries in the Asia-Pacific region to initiate multilateral arrangements through cooperation with the United Nations to prevent potential conflicts in the region.

After the Cold War, he said, the world is facing uncertainties and problems which require new security cooperation, apart from existing economic groupings, to ensure a stable and new international order.

"The current world situation may tilt towards either greater cooperation or greater conflict," the minister said at the workshop on "Asean-UN Cooperation in Peace and Preventive Diplomacy."

The workshop is being attended by 60 officials and scholars from Asean, Canada, China, Japan, the United States, Australia, New Zealand and Burma.

In his view, the UN Security Council has not done a good job in ensuring peace and security. In order to live

up to its mandate, the UN needs to have closer cooperation from regional states according to the minister.

He said UN Secretary-General Butrus Butrus-Ghali has urged regional organizations to cooperate with the international body in exercising preventive diplomacy, which includes measures to build confidence, fact-finding, early warning, among others.

Due to the lack of a multi-lateral institutional framework in the region, the Asia Pacific nations must look—unlike countries in Europe—for ways to deal with the fundamental changes in global politics. The North Atlantic Treaty Organization (NATO) and the European Community (EC), he said, have helped European countries to overcome a multitude of regional security dilemmas.

Surin said an acceptable code of conduct for the proposed Asean-UN cooperative framework could serve as a mechanism to meet every interest of all the parties concerned in the so-called "multi-lateral diplomacy."

"Cooperation between Asean and the UN can help to compensate for weaknesses that each organization may suffer from singly. The UN, for all its resources, would benefit from a regional conduit to carry out its mandate," he said.

Through close consultation with the UN, Surin expressed the hope that Asean could strengthen its cooperation and rectify the differences.

He said the UN General Assembly's endorsement of the Asean Treaty of Amity and Cooperation as a regional code of conduct last year suggests "a synergy of effort that could be further augmented."

The two-day meeting is part of a series of workshops aimed at identifying ways to promote cooperation between the UN and Asean as well as issues in Southeast Asia on which preventive diplomacy can be applied.

Former Foreign Minister Thanat Khoman also gave a keynote address on the role of multilateral cooperation in Southeast Asia.

Sarasin Wiraphon, director general of the Foreign Ministry's American Affairs Department, said by the end of the current session there will be a clear agenda for the next meeting.

The second workshop will be held in Singapore in July to coincide with the Asean Foreign Ministerial Meeting and the third in Bangkok at the end of the year. Thailand will host the next Asean summit meeting. The Foreign Ministry's International Studies Centre is sponsoring the meeting, funded by the Ford Foundation.

Official Discusses NAFTA Threat to Manufacturing

BK2303032393 Bangkok *THE NATION* in English
23 Mar 93 p B3

[Excerpts] A Thai senior commerce official voiced concern that the North American Free Agreement (Nafta)'s economic gains as a whole will be at the expense of Asean's economic prospects.

Karun Kitthisataphon, Director-General of Office for Coordination of International Economic Affairs, said the advent of the Nafta is likely to adversely affect Asean's opportunity to develop its potential manufacturing sectors because major investors, such as Japan and Korea—who have been actively participating in the manufacturing sector in Thailand, might possibly decide to relocate their plants to Mexico to enjoy the tax and investment incentives of Nafta.

Mexico is perceived to be largely benefiting from the North American free trade because investors from the USA and Canada, its industrialized counterparts, are likely to pour more investment into the country, whose comparative economic advantage is similar to that of most Asean countries.

Speaking at 'Nafta and Asean Free Trade Area (Afta): Implications for the Thai-American Economic Relationship' session at the economic seminar held by the US Information Service over the weekend in Rayong, Karun pointed out that for Thailand, the exporters of textile and apparel, canned tuna, footwear and toys are expected to sell less products to the North America after the formation of Nafta.

Besides the duty free incentive, the restrictions of the Nafta's rule of origin will make investors who wish to expand their markets in the North America find it necessary to go and invest in North American countries to qualify with Nafta.

Although US panelists assured Thai participants at the seminar that the US government would continue its open market policy, and not erect additional barriers against the third country after Nafta takes place, Karun said, "By any account, competition from the third countries will be diminished by incentives offered by Nafta."

Nafta will bring down the tariff among its member countries to zero, within the period of 10-15 years, while the tariffs of products coming from the third country will stay at the same level or decrease at a lesser margin, if the Uruguay Round of multilateral talks concludes.

Thailand exported US\$7.5 billion worth of goods to the US in 1992, 25 percent of the total country's total exports. The figure also represents 6.5 percent of the country's GNP. While 18 percent of the total Thai textile exports goes to the US.

"Whatever happens to Nafta, it will certainly affect the Thai economy as a whole," said Karun.

The USA during the same period, exported US\$4 billion worth of goods to Thailand, the figure marks less than 1 per cent of the total US exports, representing such an incredibly low portion of its GNP.

As a consequence, Karun said "Whatever happens to Afta, it will not be felt at all in the US economy."

Thailand and Indonesia are among the world's foremost textile and garment exporters.

The industry is subject to quota and Multi Fibre Arrangements from 6 to 35 percent depending on the different types of textiles.

With Nafta, the bilateral quota between Mexico and the US is likely to dissolve and Mexican garments would go to the US duty free, resulting in a possible investment diversion from Asean to Mexico.

Canned tuna, footwear and toys are currently subject to tariff of 6-12.5 percent, 2.5-48 percent and 0-12 percent respectively. Of the total Thai exports 44 percent of canned tuna, 40 percent of footwear, and 46 percent of toys go to the US.

"One would argue that the low tariff will not be decisive, because the investors would also take into account labour productivity, channel of trade and market preferences. But I would not be wrong to say that the additional [tariff] preferences will be another burden for Thai exporters," Karun asserted.

Meanwhile, it is likely that the US would benefit from the establishment of Afta. By entering into a free trade area, the Thai private sector has to increase the productivity and lower tariff on raw materials and machinery from third countries such as the US upon whom they much dependent. [passage omitted]

In preparation with the trading block like Nafta, Karun added that what Thailand should do is increase its productivity or move the industries to Mexico.

Nafta, with a total population of 360 million with an economic scale of US\$6 trillion is considered a large potential market, compared to the 32 million market of Asean with an average income of US\$ 1,200.

Regional trading blocks aside, the major concern of the moment is the trade dispute between Thailand and USA over the intellectual property rights issue. According to Karun, it is hoped that the Uruguay Round of the General Agreement on Tariffs and Trade be completed as soon as possible and any disputes settled along Gatt procedures.

"It will be a blessing for Thailand that the US market has become more difficult to enter," Karun quipped. He explained Nafta would encourage Thai exporters to start thinking of how to diversify their markets more seriously after only talking about it for a long time.

Government Prepared To Amend IPR Regulations*BK2103040693 Bangkok THE SUNDAY POST in English 21 Mar 93 p 3*

[Text] Thailand is prepared to amend certain regulations to comply with the United States' demand for protection of its intellectual property rights, Deputy Prime Minister Suphachai Phanitchaphak said yesterday. One amendment being considered would speed up legal proceedings against offenders, he said.

Civil courts now verify plaintiffs as signatories of the Berne Convention before a lawsuit is accepted, he said. Under consideration is an amendment that would identify the convention's signatories in the regulation. The convention calls on signatories to extend reciprocal protection of copyrights. Thailand and the US are signatories.

Mr Suphachai was questioned about US criticism of the slowness of Thai legal proceedings against copyright offenders. The delay is also due to a Thai requirement for the US plaintiffs to appear in court. Mr Suphachai suggested that a committee comprising representatives of the plaintiff and of the Thai and US governments be appointed to help speed up court proceedings.

Thailand is on the list of Priority Foreign Countries that could face sanctions under "Super 301" of the 1988 US Trade Act if it is found to be engaged in unfair trade practices by an annual review to be conducted by US trade representatives next month.

Permanent Secretary for Commerce Patchara Itsarasena is scheduled to discuss related issues with US officials in Washington from March 24 to 26. The US has urged Thailand to enforce existing copyright laws and to amend the 1992 law to protect pharmaceutical patents.

Mr Suphachai maintained that the Chuan Likphai Government has been "most serious" in its suppression efforts. Pirated goods have been confiscated and destroyed. Unlike in the past, threats of recourse to influential persons have been ignored. But he said it is not possible to bring changes to the Patent Law which was only recently amended. The law was amended in April last year and came into effect in October.

He said a new amendment is difficult in the "unstable political situation" now prevailing. The US should sympathise because amending a law is a major undertaking under the Thai system, he said.

Mr Suphachai said Thailand will comply with whatever agreement is reached by the Uruguay Round on protection of intellectual property rights.

In a separate interview, economist Praiphon Khumsup said the Uruguay Round's agreement on the matter will be the "best solution" for Thailand.

He is highly sceptical about the effectiveness of a suggestion from some security officials that Thailand should use its purchase of military hardware under the US Foreign Military Sales programme as leverage in negotiations.

"The best solution for small countries like Thailand is a successful conclusion of the Uruguay Round," he said.

The July meeting in Tokyo of the Group of Seven most industrialised countries may help to highlight the need for a successful conclusion of the Round, he said. Host Japan may soften its position by opening its rice market as Japan, being dependent on international trade, stands to benefit most from a successful conclusion of the Round.

Mr Praiphon is an adviser to the newly-established Office of Co-ordination for International Economic Policy and an associate professor of economics at Thammasat University. He said Section 301 is an "unfair" measure despite the fact that it was conceived to deal with unfair trade practices. It is based on a unilateral definition by the US rather than by the world community.

The US has been arbitrary, imposing it on developing countries while being more flexible on others that have more bargaining power such as the European Community and Japan, he said.

Commerce Ministry Proposes 'Copyright Court'*BK2303041393 Bangkok BANGKOK POST in English 23 Mar 93 p 28*

[Text] The Commerce Ministry will propose the creation of a "copyright court" to deal exclusively with cases of music and video tape copyright infringements.

According to a Commerce source, the proposal has already been discussed with the Justice Ministry. It will be submitted to the Cabinet and after that the two ministries will work out details, said the source who asked not to be identified.

The source described the proposal as a means of reducing complaints from the United States and other industrial countries that prosecutions of copyright piracy take too long.

The Cabinet could consider the proposal today, the source said.

The Commerce Ministry would like the matter considered urgently because on Wednesday a delegation headed by Permanent Secretary Patchara Itsarasena is due to negotiate with American officials in Washington.

The talks will focus on US complaints about copyright law enforcement, and American dissatisfaction with Thai patent law. The main objective from Thailand's point of view is to avoid the sanctions threatened under Section 301 of US trade law, and if possible to get Thailand removed from the "priority foreign country" list of trading partners the US is watching most closely for intellectual property rights infringements.

Pharmaceutical Group Defends Stance on Patent Act

BK2003014493 Bangkok THE NATION in English 20 Mar 93 p B1

[By Atchara Phongwutthitham]

[Text] The Thai Pharmaceutical Manufacturers Association has written to the Commerce Ministry outlining four reasons why the Patent Act should not be mended to cover drugs still in their pipeline stages.

The Association said that pipeline protection is not usual in either international or local law terms. Pipeline protection would lead to social confusion and numerous legal cases.

If Thailand agrees, it would set a precedent for other nations to make similar demands.

The association said it wants the Commerce Ministry to maintain the Price Monitoring Committee as it serves the interests of people who wish to buy drugs at reasonable prices.

Drug manufacturers also want the government to maintain the compulsory licensing system, allowing other producers the production rights—as well as the patent holders—in case patent holders fail to invest in their production because of low demand or the cost factor.

Fourthly, the Association wants to see the revocation of the transitional clause on the registration of new drugs introduced by the Public Health Ministry before the Amendment to the Patent Act BE2522.

The transitional clause extends patent protection to drugs yet to be imported into the country or new drugs under patent protection—for two years, disallowing local producers from producing a similar drug to compete with foreign patent holders.

As such, the association thinks the clause grants excessive patent protection beyond the amended Patent Act BE2535.

The association submitted the letter to the Commerce Ministry because of concern about the outcome of the Washington negotiations between Thailand and the United States, due to take place from Mar 24-26.

Thailand's status on the US's Priority Foreign Country (PFC) list is under discussion because of American demands on pipeline protection, copyrights and labour problems, ministry sources said.

SRV Chief of General Staff To Visit in April

BK2203011193 Bangkok BANGKOK POST in English 22 Mar 93 p 2

[Text] Ho Chi Minh City—Vietnam's chief of General Staff Gen Dao Linh Lien will visit Thailand late next month at the invitation of army chief Gen Wimon Wongwanit.

Gen Lien, who operates in the same capacity as the supreme commander of the Thai armed forces, will lead a delegation of senior Vietnamese People's Army officers to Thailand "to establish goodwill and enhance good ties between the armed forces of the two countries," Gen Wimon who presided over the opening of the Thai Military Bank's Ho Chi Minh City branch on Friday, told reporters.

Meanwhile, Lt Gen Vu Xuan Vinh, chief of the Vietnamese-army's external affairs division, travelled from Hanoi to call on Gen Wimon on behalf of Vietnam's Defence Ministry.

"The upcoming visit by senior army officers of Vietnam represents a gradual process of dispelling mistrust and building mutual understanding," Thai Militan Attache to Vietnam Col Narong Nilawat told the BANGKOK POST.

The two countries exchanged military attaches earlier this year.

Vietnam took offence at the Thai army's war games in Prachin Buri on March 12 which themed around the mock scenario of Vietnamese troops returning to Cambodia.

Hanoi summoned Thai Ambassador to Vietnam, Bunthan Manklang, to protest the theme of the war games.

Gen Wimon said cooperation for prosperity is the thrust of Thai-Vietnamese relations and cited the opening of the Thai Military Bank's branch here as indicative of that spirit.

Thailand strongly supports Vietnam's closer integration to the Association of Southeast Asian Nations (ASEAN) and the two countries are focussing on positive aspects of their relationship, said the Thai army chief.

"We have now put a halt to the task of assessing each other's military strength," he added.

Ministers Visit Cambodia, Laos To Forge Ties

BK2203074593 Bangkok Radio Thailand Network in English 0000 GMT 22 Mar 93

[Text] Foreign Minister Prasong Sunsiri visited Cambodia over the weekend. He reaffirmed Thailand's commitment to lasting peace in that country. The foreign minister expressed his concern over a possible standoff after the election as the Khmer Rouge continued to defy the election. He remarked that well-meaning parties should plan ahead how to deal with the situation if the election fails to bring peace to the war-torn country.

Also over the weekend, a party led by Minister to the Prime Minister's Office Chinnawut Sunthonsima traveled to Vientiane to hand over medical equipment to the Lao Government as gifts from the Thai Government. The handed-over equipment includes ambulances, incubators, and operating tools. Lao Minister to the Prime

Minister's Office Phao Bounnaphon accepted the equipment on behalf of the Lao Government. Minister Chinnawut also called on the Lao president and prime minister. He remarked that the Lao Government regarded bilateral relations close and cordial. Border incidents in Chiang Rai had been dismissed as insignificant. Minister Chinnawut also discussed cooperation in transport and communications between the two countries. The minister took the opportunity to visit the first bridge over the Mekong River under construction with the assistance of the Australian Government. The bridge is expected to be ready in the middle of 1994.

Two More Lao Refugees Camps To Close in 1994

BK2003075493 Bangkok Radio Thailand Network in English 0000 GMT 20 Mar 93

[Text] Thailand plans to close down two camps housing displaced Laotians within 1994. One of the camps is in Nakhon Phanom Province in the northeast, presently housing closed to 13,000 Laotians. The camp was set up in 1977. Another camp is in Phayao Province in the north, with about 14,000 Laotians. Supreme Commander Air Chief Marshal Woranat Aphichari says the Lao Government is willing to accept those displaced persons if no third countries intend to accept them for resettlement. He says a campaign has been launched to urge displaced Laotians to return home before the two camps are closed down next year.

Burmese Ban Thais From Crossing Border

BK2103040893 Bangkok THE SUNDAY POST in English 21 Mar 93 p 2

[Text] Burmese authorities opposite Mae Sot have banned Thais from crossing to Myawadi, apparently in reaction to Thai Immigration's refusal to allow foreign tourists to visit the Burmese side of the border. Thai border authorities said the Burmese ban was ordered by local military chief, Lt-Col Thun Thun Lay, commander of the 357th Light Infantry without Thai authorities been informed.

Burmese authorities in Myawadi began allowing non-Thai tourists from the Thai side to visit the border township about four months ago, charging each person US\$10 as an admission fee and an additional charge of \$5 for a camera and \$10 for a video camera. The Burmese also expected foreign tourists to buy local products from local people.

The chief immigration officer in Tak province, Pol Lt-Col Kriangyut Rithisakchonnet, said his unit decided to stop foreign tourists from crossing into Burma after being told by the Tourist Authority of Thailand about complaints that tourists who crossed into Myawadi faced extortion by tourist guides. He said people who cross illegally into Burma are liable to up to two years' jail and/or a fine of up to 20,000 baht.

The Mae Sot-Myawadi area is not a permanent border checkpoint and immigration staff are not authorised to allow non-Thais to cross into Burma, he said.

Thai immigration officials in the area are authorised to allow local people who live within 16 km of the border to visit Myawadi on one-day visits.

Col Suwit Maenmuan, commander of Mae Sot-based 34th Task Force, who is also chairman of the Thai-Burma Border Committee (local level) said he will raise the problem at a committee meeting in Chiang Mai from March 24-27.

Illegal Burmese Immigrants To Face Legal Action

BK2103064493 Bangkok Radio Thailand Network in English 0000 GMT 21 Mar 93

[Text] The National Security Council, or NSC, will take legal actions against illegal immigrants from Myanmar [Burma] who refuse to be registered with the authorities. During its recent meeting, the NSC reviewed its policy, focusing on students from Myanmar who illegally entered Thailand and avoided registering to live in the Maniploi Center in Rat Buri Province on the Thai-Myanmar border provided by the Royal Thai Government in cooperation with the Office of the UN High Commissioner for Refugees, or UNHCR.

Secretary General of the NSC, General Charan Kunlanit, says those Burmese students now face the arrest. According to Gen. Charan, the Thai Government has consulted the UNHCR concerning the move to be taken in this issue. The UNHCR, he says, is in agreement with the measure. It agrees that Thailand has treated those students fairly and cannot tolerate illegal immigration for a prolonged period. Violators will have to face legal actions against to the law. Financial support from the UNHCR for those students has also been terminated and no third countries can be found to accept them for resettlement.

Tunisia Offers Access to EC Market

BK2003021893 Bangkok THE NATION in English 20 Mar 93 p A3

[Text] Thai businesses, taking advantage of Tunisia's special relationship with the European Community, would be able to penetrate the EC common market through that country, its honorary consul in Thailand said yesterday.

Tunisia's honorary consul, Prasoet Thechawibun, speaking to THE NATION on the eve of the North African country's independence, which falls today, pointed out that the country enjoys a tariff-free status with the European Community.

"There are no tariff barriers for Tunisian finished products entering the EC, and Thai manufacturing businesses using Tunisian labour could invest in the country could

take advantage of this relationship if they want to penetrate the European markets," Prasoet said.

Thailand's imports from Tunisia are worth about Bt[baht]250 million a year.

On the other hand, he said, Thai exports to Tunisia amounted to only about Bt30 million last year.

Thailand currently imports huge quantities of phosphate fertilizers from Tunisia, and the North African country in turn buys garments, cloth and rice from Bangkok.

The honorary counsel said Tunis is keen to buy more rice from Thailand in the near future.

Tunisia, as current chairman of the Arab Maghreb Union, is also focusing on developing special ties with other Asean members, following up on a 1990 visit to the region by the former Maghreb Union secretary-general Rusli Noor.

Bank Views Financial Liberalization Problems in ASEAN

BK2203025793 Bangkok *THE NATION* in English
22 Mar 93 p B12

[Text] In order to abide by international banking requirements under the rules of the Bank for International Settlements which came into effect this year, the Asean countries have had to liberalize their respective financial systems extensively.

Along with the financial liberalization has come with an assortment of pains and problems for each Asean member, according to a Thai Farmers Bank synopsis.

Indonesia arguably went through the most painstaking process. Its central bank eased the financial system substantially in 1983 and 1988 thereby allowing the country's commercial banking system to expand fourfold during the 1983-1989 period. Indonesia's number of commercial banks increased from 111 to 117 during that period, with the number of local bank branches doubling to 4,500.

Malaysia and the Philippines also undertook similar liberalization measures. The two countries eased their foreign exchange controls and stimulated new commercial banks to be set up. Malaysia allowed its merchant banks to issue non-negotiable certificates of deposits.

Thailand, which began liberalizing its financial industry in 1979, lifted its foreign exchange controls in 1990 to comply with suggestions from the International Monetary Fund. Singapore's financial system has been rather free already, so the citystate has had to endure the least pain.

But the liberalization eventually caused problems for Indonesia, as its commercial banking sector swelled too rapidly. When inflationary pressure intensified in 1990, the Bank of Indonesia had to tighten monetary policy, squeezing the liquidity of local banks. To make up for

the needed cash, the authorities allowed foreigners to own shares in Indonesian banks of up to 49 per cent.

Despite the liberalization policies, Indonesia felt another big sting when Summa Bank of the Soeryadjayas family went bankrupt due to bad loans. The lesson here is that, when the commercial banks were allowed to multiply too quickly, the authorities need to keep a close watch on the banks' loan policies and practices.

Malaysia's response was to encourage the growing number of banks to merge, which took place between the Bank of Commerce and the limited Asian Bank, the country's ninth and sixth biggest, respectively. Such a merger creates bigger banks which can offer more integrated services.

The Philippines further lifted foreign exchange controls, and permitted foreign investors to bring money in and out of the country without the government's prior approval.

Satellite Firm Plans Expansion Into China, Indochina

BK2203031793 Bangkok *BANGKOK POST* in English
22 Mar 93 pp 21, 32

[Excerpts] Samart Satcom Co Ltd, Thailand's only satellite dish and receiver manufacturer, is focussing on research and development to stay ahead of its rivals.

The company holds about 75 percent of the satellite dish market in Thailand and expects quick expansion to continue.

It is also looking to expand its business into Indochina and China by setting up production plants for TV antennae and satellite dishes.

According to Sanphat Sophon, corporate marketing director of Samart Corporation, which owns Samart Satcom, prospects for telecommunications businesses in Indochina and China are high.

He expects heavy competition in the satellite dish market in Thailand to cool in the next few years.

Samart Corporation president Thawatchai Wilailak said the firm had faced some problems in serving customers during the boom.

Mr Sanphat said the service team has been expanded.

Pornthep Prasithikunapon, managing director of Samart Satcom, said the company spends 20 million to 30 million baht a year on research and development to ensure products are of high quality.

"We have been a pioneer in this area and want to remain a market leader here and in Indochina."

Most money is spent on high technology equipment and training, he said.

He predicts that when Thailand has its first THAICOM satellite in orbit, the business will expand.

Samart Satcom has set a dish sales target of around 500 million baht this year compared with 300 million baht last year.

The satellite business soared after the unrest last May when turnover hit 300 million baht compared with 30 million baht at the same time in 1990 and 120 million baht in 1991.

He said Samart Satcom exports its products to many countries in Asia the Middle East and Africa. [passage omitted]

Vietnam

Foreign Minister Comments on Japan's Regional Role

OW2303114293 Tokyo KYODO in English 1132 GMT 23 Mar 93

[Text] Hanoi, March 23 KYODO—Vietnamese Foreign Minister Nguyen Manh Cam said Tuesday [23 March] that Vietnam now sees Japan as a positive, potential and important factor in the Asian region. Meeting Japanese journalists prior to Premier Vo Van Kiet's Japan visit this week, Cam said Japan can play a positive role in the Cambodia issue. Cam said Tokyo's most positive role can be in encouraging the tendency of national reconciliation in the war-torn Cambodia and in preventing and combating sabotage and violation of the Paris peace accords.

The Vietnamese Foreign Ministry expressed concern over Japan's enactment in June last year of a "peace-keeping cooperation bill" which allows Japanese Self-Defense Forces troops to be sent abroad to take part in United Nations peacekeeping missions, for the first time since the end of World War II. It said then that Japan should stick to its economic role in Asia. Cam also hailed Japanese Prime Minister Kiichi Miyazawa's initiative on the holding of a forum on reconstruction of the Indochina peninsula, which also includes Vietnam. "We welcome contributions from various countries to the development of Indochina," Cam said. Cam further said that, with its potential, Japan can play an extremely important role in the development of the entire Asian region.

VNA Reports U.S. Senators Urge Lifting Embargo

BK2203134993 Hanoi VNA in English 1331 GMT 22 Mar 93

[Text] Hanoi VNA March 22—Chairman of the United States Senate Claiborne Pell and Senator Richard G. Lugar has recently sent a joint letter to US President J. Clinton [as received] urging him to lift the US trade embargo on Vietnam.

The letter began by urging President Clinton 'to lift the United States trade embargo on Vietnam and not to oppose loans to Vietnam by international financial institutions, in addition, we believe the United States should take appropriate steps towards the normalization of relations with Vietnam including the establishment of a diplomatic liason office in Hanoi'.

The letter continued : '... We note that the Paris peace accords have been in effect for over a year and in fact the United Nations Transitional Authority in Cambodia (UNTAC) is now contemplating the completion of its mission. In addition we believe a process has been established for the resolution of the POW/MIA issue with Vietnam that has already produced substantial results and promises to produce even more progress over the coming years.'

'The United States alone maintains trade sanctions on Vietnam. Lifting the trade embargo would enable American business to compete more effectively with other countries and other international businesses for the promising Vietnamese market,' the letter added.

Radio Welcomes Opening of Hanoi IMF Office

BK1903144293 Hanoi Voice of Vietnam in English 1000 GMT 18 Mar 93

[Text] The International Monetary Fund [IMF] has just opened its representative office in Hanoi. Mr. Eric (Petal Perlo) of the IMF said this is the first step toward the normalization of relations between IMF and Vietnam. Here is our editor's opinion:

The setting up of the Representative Office of the International Monetary Fund in Hanoi is a most important step in the development of relations between Vietnam and this international financial body. It follows a period of active steps concerning Vietnam.

Mr. (Petal Perlo) said the IMF is preparing an aid program for Vietnam. This organization has agreed to give Vietnam short-term loans until a long-term basis and commence preparations for the World Bank and the Asian Development Bank to supply money to some projects and readjust the terms of some debts. [sentence as heard]

The IMF will soon hold an important session in which Vietnam's economic development will be one of the major topics for discussion. At present, most of its members want to enter into negotiations with Vietnam. They are preparing for those talks to reach an agreement between Vietnam and IMF.

At present, the IMF office in Hanoi will help Vietnam reform its monetary policy, banking, and taxation system. Those activities are of great significance. It is evidence that Vietnam's economy is changing for the better and that international financial organizations are paying attention to Vietnam, wanting to help develop its economy.

Minister Reaffirms Cooperative Stance on Mekong River

BK2003072693 Hanoi VNA in English 0545 GMT 20 Mar 93

[All punctuation as received]

[Text] Hanoi VNA March 20—Vietnamese Vice Minister of Water Resources Phan Si Ky has affirmed that the Vietnamese Government will cooperate with a constructive attitude and on the principle of mutual benefit with the other member countries of the Mekong Committee in the use of the water resources of this river. The an interview [as received] granted to VIETNAM NEWS AGENCY recently, the [vice minister] recalled that in February 1993 the four countries in the lower basin of the Mekong reached consensus on setting up a working group to discuss and work out a new mechanism of cooperation.

Asked to comment on a report by the Thai newspaper 'THE NATION' on Feb. 5, 1993 that Thailand is deploying a project to build irrigation works to bring water from the Mekong River to develop the central area in the catchment area of Chao Phrayo river, Phan Sy Ky said: 'We have received any formal information on this question from Thailand. [sentence as received] Nevertheless, I believe that Thailand will not unilaterally do anything detrimental to the interests of other nations and cause instability in the region.

'It is common knowledge that Mekong is an international river, therefore the Mekong resources are the common resources of all nations concerned and each nation has its interests and responsibilities in the use and protection of these resources.

Regarding the water resources in particular, the Mekong offers very big potentials. Provided a good coordination among the nations, these resources are capable of meeting the needs of all the four countries in the lower basin. The main question and also the main task of the Mekong cooperation is to cooperate in studying and exploiting reasonably the river's natural resources so as to satisfy the needs of socio-economic development and protect the environment of each country while creating favourable conditions for the other countries and not harming the legitimate interests of the other countries.

'I think that all problems can be settled satisfactorily on the basis of discussions close coordination of actions in the spirit of sincere cooperation and mutual trust'.

Envoy Signs Statement at Cambodian SNC Meeting

BK2203144793 Hanoi VNA in English 1328 GMT 222 Mar 93

[Text] Hanoi VNA March 22—'UNTAC will do its best to bring the murderers at Chong Kneas Village to trial', said Y. Akashi, head of the UN peace-keeping force in

Cambodia at an SNC [Supreme National Council] working meeting in Phnom Penh on March 20 chaired by himself.

The Khmer Rouge did not send their representative. Prince Norodom Sihanouk now in Beijing could not attend. Hun Sen, prime minister of Cambodia, Prince Norodom Ranariddh, chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Faction, Ieng Muli, general secretary of KPNLF [Khmer People's National Liberation Front], and a number of SNC members were also absent.

Mr. Akashi told the meeting that he had authorised the special prosecutor of UNTAC to issue a warrant to arrest a man named Loeung Dara believed to be the leader of the Khmer Rouge unit which carried out the massacre of 33 Vietnamese nationals in Cambodia on the night of March 10.

Representatives of the three Cambodian factions present at the meeting condemned the massacre as racist motivated. Russian Ambassador Yuri Mirketnykh, on behalf of the ambassadors of Australia, France, Germany, Britain, Indonesia, Japan, Russia, Thailand and the United States in Phnom Penh, read a statement strongly condemning the latest Khmer Rouge atrocities.

The Vietnamese, Cuban, Indian and Polish ambassadors signed to the [as received] statement. Chinese diplomatic representative did not joint but reiterated the statement of the Foreign Ministry spokesman condemning this massacre.

The SNC meeting also discussed issues concerning the neutral political environment, the enforcement of the ban on wood export, and the activities of technical consulting subcommittees on the future constitution and territorial boundaries of Cambodia.

The next meeting of the SNC is scheduled for April 4 also in Phnom Penh.

Agricultural Ministry Holds Grain Conference

BK2103084593 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Mar 93

[Text] This morning, the Ministry of Agriculture and Food Industry held a conference to appraise the grain situation at present and to discuss measures to ensure sufficient grain for the people and to prevent shortage during the lean pre-harvest period.

Delegates to the conference said that, generally speaking, at present the price of rice is quite stable at more or less 2,000 to 2,200 dong per kg. Grain corporations in various provinces have reserved rice according to plans. The winter-spring rice crop developed fairly well recently, despite the difficulties experienced at the beginning of the crop. It is noteworthy that some people and peasants have reserved more rice this year, thus, it may affect the circulation of grain in the market. As a result,

the Ministry of Agriculture and Food Industry urges grain corporations in provinces to monitor prices in the market while promoting business activities.

The ministry also calls on localities to regulate grain distribution to meet the people's demands. The central grain general corporations must strengthen coordination with other agencies to consistently transport rice from the south to northern provinces to avoid the rice shortages experienced several years ago.

Banks, Ministries Discuss Grain Purchases

BK2303054593 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 20 Mar 93

[Text] Recently in Ho Chi Minh city, the State Bank and Ministry of Agriculture and Food Industry met with the city branch of the state bank, the agricultural bank, the industrial and commercial bank, and representatives from 12 southern provinces and cities to discuss ways to jointly allocate funds and secure cash for grain purchase in 1993.

The Ministry of Agriculture and Food Industry is expected to purchase 1.6 million tons of grain this year. To achieve this, the ministry itself must amass as many as 2.415 billion dong, various enterprises concerned must raise 582 billion dong in cash or in material to give peasants in exchange for paddy, and local banks must obtain 132 billion dong from their own sources of capital and 450 billion dong from other sources together with funds to be supplemented by the state to help cover their expenses during crop production seasons.

Funds for grain purchase can also be mustered from interests obtained from a relatively large sum of foreign currencies given by the Vietnam State Bank as loans to various families and enterprises for a limited period of time to help them acquire new techniques and expand production. The conference also advanced measures aimed at amassing capital and securing cash for investment in agricultural production development and grain purchase in the southern delta provinces.

Hanoi Party Official Notes Tourism's Potential

BK2303035893 Hanoi Voice of Vietnam in English 1000 GMT 22 Mar 93

[Text] Secretary of the Hanoi Party Committee Pham The Duyet said tourism plays an important role in the present process of renovation. He was commenting in a message of greetings to the Hanoi tourism on the occasion of its 30th founding anniversary. Mr. Duyet said, together with industry and commerce, the tourist services development would promote the capital for the benefit of the economy.

Government Issues Circular on Flag, Anthem

BK2103135793 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 18 Mar 93

[Text] The Government Office has promulgated a circular on displaying the national flag and singing the national anthem. After pointing out that this is a fine tradition, the circular provided guidance over uniform implementation as follows:

1. Displaying the national flag. State agencies, schools (including institutes), military units, border checkpoints, and international airports must have flag poles and must display the national flag in front of their buildings or in decent places near those buildings. The hoisted national flag must meet the size and colors specified under the Constitution.

The main offices of the Presidential Palace and the National Assembly; the Ho Chi Minh Mausoleum; the main offices of the Government, Supreme People's Court, Supreme People's Organ of Control, and Ministry of Foreign Affairs; Vietnamese embassies in foreign countries; the Hanoi National Flag Pole; headquarters of people's committees at all levels (excluding ward people's committees in cities and district capitals); border checkpoints; and international airports must display the national flag 24 hours every day. The headquarters of ministries, ministerial-level agencies, agencies under the management of the government, mass organizations at the central level, military units, and schools must display the national flag from 0600 to 1800 every day. When welcoming official visits by ministerial- or upper-level foreign delegations, the afore-mentioned agencies and units, especially Foreign Ministry agencies, must display the guest countries' national flags along with the Vietnamese flag.

2. Saluting the colors. Military units; general education schools, vocational training centers, and vocational middle schools; institutes; and colleges must organize solemn ceremonies to salute the colors and to sing the national anthem every Monday morning before the start of the first class meeting. No tapes and loudspeaker systems may be used to replace the singing of the national anthem by the participants. The afore-mentioned units should make arrangements for everyone to learn how to sing the national anthem correctly.

Regarding saluting-the-color ceremonies held by state agencies to mark major events, receptions bearing state rituals, and ceremonies to mark founding anniversaries of sectors and localities, tapes or military music may be used in place of the singing of the national anthem by the participants.

The afore-mentioned circular is to be uniformly implemented beginning on 1 April 1993.

Inflation Rate Continues Downward Trend

*BK2103063493 Hanoi VNA in English 0559 GMT
21 Mar 93*

[Text] Hanoi VNA March 21—According to the Ministry of Finance, in 1992 the economic, financial and budgetary situation of Vietnam continued to grow at a fairly high tempo. Market prices were generally stable, inflation rate dropped to 15 percent compared with 67 percent in 1991.

The price of gold fell 27.1 percent. The exchange rate of the US dollars fell 23.9 percent. Dollar and gold prices are expected to remain stable at 10,500 dong to one US dollar and 421,000-422,000 dong for a 'chi' (1/10th of tael) of gold.

Budget deficit in 1992 was only 62.5 percent of the planned target adopted by the national assembly. This deficit was made up for by domestic and foreign loans and aid. The government strictly observed its decision not to issue new banknotes to make up for the budget deficit.

The state budget plan for 1993 is based on two assumptions: At the lowest, deficit will represent 22 percent of total spending at the highest, it will be 32 percent of total spending (nearly 8 percent of the national income). Both options are premised on borrowings from the people and foreign countries. The financial-monetary policy is to maximize capital mobilization and financial capabilities from inside and outside the country in order to ensure the demand of socio-economic development and continue controlling inflation, keeping the inflation rate below 15 percent.

To that end, the Ministry of Finance put forth the following measures: First, to continue adjusting the bank interest rates by gradually narrowing the differences between bank interest rate and the rate of price increases, between savings and loans interests, between interests in Vietnamese and foreign currencies. Secondly, to help the commercial banks make more loans, to forecast the level of borrowings from different economic sectors and forecast the capacity of bank disbursements and the time limits for debt collection, hence to estimate the growth rate of the bank credits. Thirdly, to define the volume of cash supply proportional to the economic growth rate and the inflation rate. In 1993, cash supply is expected to increase by 6,000-6,500 billion dong compared with 1992. On payment: To ensure the circulation and effectiveness of such forms as compensatory payment, payment by facsimile and informatics, and to broaden the form of payment by cheques.

Together with the above-said measures, the government will improve monetary policy to make it conform with the market-oriented mechanism and with the legislation of credit, trade and investment. The newly approved amendments to the Law on Foreign Investment have created more conditions to form a monetary market, a capital market and a stock market in Vietnam.

Bulgaria Signs Trade Cooperation Pact

*BK1903144793 Hanoi VNA in English 1422 GMT
19 Mar 93*

[Text] Hanoi VNA March 19—An agreement on economic and commercial cooperation between Vietnam and Bulgaria was signed here today.

Signatories were Le Kim Lang, deputy minister of commerce, accredited by the Vietnamese Government and Kiril Velev, deputy minister of trade, accredited by the Bulgarian Government.

The signing was witnessed by Bulgarian Ambassador to Vietnam Boris Prifanov Stoytchev.

Earlier, Minister of Commerce Le Van Triet received Mr Kiril Velev who leads a Bulgarian trade delegation on current visit to Vietnam.

Cabinet Holds Regular Meeting 16-17 Mar

*BK2003142793 Hanoi Voice of Vietnam Network in
Vietnamese 1430 GMT 19 Mar 93*

[Text] A regular cabinet meeting was held from 16-17 March under the chairmanship of Prime Minister Vo Van Kiet.

Those attending the meeting heard:

- the minister of finance present a draft law amending and supplementing various kinds of taxes;
- the head of the State Planning Commission present a draft law on state enterprises;
- the minister of justice present a draft law on enterprise bankruptcy and another draft law on implementation of civil court verdicts.

As for the draft law amending various kinds of taxes, after the deliberations and contribution of substantive views by cabinet members, the prime minister gave this inference:

Although there are some positive aspects, the current tax policy still displays many weak points to be promptly overcome. For instance, it does not cover all sources of revenue and has failed to become one of the main tools and policies to regulate production and business activities in accordance with the state's orientations. Tax charts are still very complicated and overlappings are still found in many points. Therefore, within 1993 these weak points must be overcome, especially those irrationalities in tax computation, trying to reduce complexities, eradicate overlappings in various tax charts, and renovate the current tax computing and collecting methods in a bid to avoid skipping sources of revenue. It is important that the tax policy must ensure incentive for increased production, especially agricultural, forestry, fishery, handicraft, and artisan production.

Those newly-founded production establishments and those newly-reclaimed areas must be tax exempt for the first few years.

In this spirit, the government asked the Ministry of Finance to promptly amend and supplement those points which are still insufficient or weak within the management responsibility of the tax sector. As those issues fall within the authority of the prime minister and the government, the ministry must actively prepare them so as to submit them to the prime minister and the government for an early decision and prompt deployment within 1993.

Prime Minister Vo Van Kiet emphasized: Taxes are particularly important tools of the state to regulate the economy, stimulate increased production, and ensure the sources of revenue for the state budget. That is why active preparations must be made right now to present the amendments to various tax laws to the National Assembly for approval in order to effect more radical changes in the entire tax policy of the state in conformity with the process of comprehensively renovating the national economy.

With regard to a draft law on state enterprises and a draft law on enterprise bankruptcy, Prime Minister Vo Van Kiet analytically elaborated on various differing views over various essential issues of these two draft laws. They include:

- The scope of readjustment of the law on state enterprises.
- The question of determining the owner of a state enterprise.
- What types of enterprises need an administrative council.
- Who has the right to appoint the director of a state enterprise.
- Who has the right to declare bankrupt a state enterprise.
- Compensation payments for personnel when their enterprises go bankrupt, and so forth.

Cabinet members voted to pass these debated issues one after another.

The government asked that based on those inferences reached, the head of the State Planning Committee cooperate with the Ministry of Justice in consulting with all cabinet members on how to promptly perfect these draft laws prior to presenting them to the National Assembly for approval in its coming session scheduled to be held in mid-1993.

With regard to the draft law on the execution of civil court verdicts, after deliberations by cabinet members, the prime minister emphatically said:

At present, many civil court verdicts have been implemented in a very slow fashion. Some court verdicts have been left for a very long period of time without implementation. At its first session held on 6 October 1992, the National Assembly gave its specific views on this matter and declared unacceptable the tendency to allow this irrational situation to drag on.

In order to transfer the execution of court verdicts from a court of law to the government and to promptly end the sluggishness in implementing court verdicts, it is necessary to present the draft law on the execution of civil court verdicts to the National Assembly for consideration and promulgation in the period ahead. As an immediate task, the government asked the Ministry of Justice to cooperate with the Ministry of Interior, localities, and mass organizations in providing satisfactory security for various court sessions if we are to ensure the scrupulous implementation of adjudication work, maintain order and discipline, and the seriousness of the law at every court session.

Asia-Pacific Socioeconomic Workshop Opens

BK2203143793 Hanoi VNA in English 1408 GMT 22 Mar 93

[Text] Hanoi VNA March 22—A dialogue workshop on Vietnam's socio-economic situation in its relations with other countries in the Asian and Pacific region was held here today by the Vietnam Union of Peace, Solidarity and Friendship Organisations (UPSFO).

The meeting was chaired by UPSFO acting President Nguyen Quang Tao.

Do Quoc Sam, chairman of the State Planning Commission, Deputy Foreign Minister Le Mai, and Vice President of the State Committee on Cooperation and Investment Nguyen Mai outlined the socio-economic situation and the foreign policy of Vietnam in its comprehensive renovation policy.

Many foreign delegates warmly greeted the results scored by Vietnam in its open-door policy and its economic reforms.

The guests expressed profound concern over the present situation in Cambodia and condemned the atrocities committed by the Democratic Kampuchea faction against Vietnamese nationals in Cambodia and voiced support for the goodwill of Vietnam, a signatory to the Paris agreement, in the search for a peaceful solution to the Cambodia issue. They also expressed their hope that their countries could actively contribute to building Cambodia into a peaceful, independent and democratic country having friendly relations with all countries in the world, especially with its neighbours.

Bui Thien Ngo Attends Anticorruption Conference

BK2203084393 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 19 Mar 93

[Text] On 15-16 March, the Ministry of Interior held a conference to implement the campaign on anticorruption and negativism in the People's Public Security Force. Attending the conference were leading cadres of the Interior Ministry, general departments, the Public Security Force command, departments, and security cadres from provinces and cities.

Addressing the conference, Comrade Bui Thien Ngo, member of the party Central Committee Political Bureau and minister of interior, stressed: Our party and state attach great importance to the struggle against corruption and smuggling. Our people have placed their confidence in the Public Security Force, especially its major role in this struggle. Only by maintaining a pure and honest Public Security Force will we be able to effectively overcome negativism.

The conference apprised results in implementing the prime minister's decision No. 240 and the Public Security Force's directive No. 31 during the past two years.

Delegates to the conference also heard reports on difficulties in the campaign against corruption and smuggling. They expressed the determination to triumphantly implement the party Central Committee Political Bureau's directive No. 15, the prime minister's decision No. 114, and the government's plan No. 493 on urgent measures aimed at curbing and eliminating corruption and smuggling. They pledged that more efforts will be made to seriously fight corruption and eliminate negativism in the Public Security Force.

Vo Van Kiet Receives Shell Oil Official

*BK2203142993 Hanoi VNA in English 1419 GMT
22 Mar 93*

[Text] Hanoi VNA March 22—Prime Minister Vo Van Kiet received here yesterday Mr. John South Wood Zennings, vice president of the British Corporation Shell on a visit to Vietnam.

Speaking at the reception, Mr. Zennings said that Shell is attaching special importance to developing cooperation with Vietnam, country with great economic potentials and on a vigorous development trend. Shell is conducting exploration for oil and gas in the sea off central Vietnam and at the Bach Ho (Tiger) oil field. It has formed a joint venture for lubricant manufacture with Petro-Vietnam, provided the Vietnamese transport and communications service with Bitumen and submitted a project for an oil refinery to the Vietnamese Government. In the immediate future, Shell intends to broaden its oil exploration in Vietnam's continental shelf, take part in the construction of the oil refinery and supply Vietnam with oil tanks.

Prime Minister Vo Van Kiet told his guests that possibilities of cooperation between Vietnam and Shell are very great. Vietnam, he said, wishes that Shell would cooperate with Vietnam first of all in the domain of oil

refinery and petro chemistry and later in oil exploration, transfer of technology and personnel training.

Thai Education Delegation Visits

*BK2203141993 Hanoi VNA in English 1410 GMT
22 Mar 93*

[Text] Hanoi VNA March 22—A delegation of the Thai Ministry of Education led by Minister Samphan Thongsamak arrived here today for a visit as guest of the Vietnamese Ministry of Education and training.

Talks were held here this afternoon between the two ministries. During the talks Minister of Education and Training Tran Hong Quan told his guests that Vietnam is conducting a general investigation to build a strategy of educational development in the coming period. He wished that Vietnamese education and training workers could exchange experiences with their Thai colleagues.

The Thai minister invited a delegation of the Vietnamese Ministry of Education and Training to visit Thailand.

Police Charge Tour Operators With Abetting Prostitution

*BK2103025093 Hanoi Voice of Vietnam Network in
Vietnamese 1100 GMT 20 Mar 93*

[Text] According to the TUOI TRE [YOUTH] REVIEW, Ho Chi Minh City Security Police on 15 March arrested Truong Thi Nguyet Hong—who was born in 1935 at 39 Thu Khoa Huan Street, Ben Thanh Ward, 1st Precinct—and 17 other accomplices on the following charge:

For quite a long time, Truong Thi Nguyet Hong ran a big tour company with its head office located at 39 Thu Khoa Huan Street. Her company was able to mobilize hundreds of prostitutes at a time for foreign tourists in Ho Chi Minh City or to bring prostitutes to Vung Tau and Dalat. Apart from procuring those prostitutes regularly present at 39 Thu Khoa Huan Street, Truong Thi Nguyet Hong also ran many satellite businesses that brought girls from provinces to the city to sell their virginity.

Also arrested was Huynh Minh, a member of this prostitution racket, who served as an interpreter for a foreign company. Together with Truong Thi Nguyet Hong, Huynh Minh was reported to have used his mobile phone and beeper to contact foreign tourists and make arrangements for the girls. At Huynh Minh's house, investigators seized many documents indicative of the Nguyet Hong Tour's connections with many hotels in the city.

Australia**Keating Portfolio Announcements Due 24 March***BK2303095093 Hong Kong AFP in English 0851 GMT
23 Mar 93*

[By Jack Taylor]

[Text] Sydney, March 23 (AFP)—Australian Prime Minister Paul Keating will announce Wednesday [24 March] the biggest government shake-up for a decade after his conservative opponents decided Tuesday to stick with the man who led them to their worst rout in history. Eleven new ministers were named Tuesday in the 30-strong government, which is the biggest injection of new blood since Labor came to power under Prime Minister Bob Hawke in 1983. But Keating will not announce the portfolios until Wednesday, a move party sources said was aimed at ensuring maximum media focus on the problems of the coalition Liberal and National Parties.

Right-wing economist John Hewson, architect and champion of the goods and services tax (GST) blamed for the March 13 defeat, retained Liberal Party leadership by defeating his main challenger John Howard by 47 votes to 30. Howard was also tagged with the "loser" label. He was beaten as Liberal leader in the 1987 election by Hawke.

Senator Gareth Evans, foreign minister in the pre-election government, is expected to remain foreign minister but was also elected Tuesday to the powerful new position of Labor leader in the Senate, the upper house in the Westminster-style parliament.

Most of the 11 newcomers were supporters of Keating during the party-room coup in which he ousted Hawke in December 1991. One is lawyer Michael Lavarch, who is reportedly favoured to become attorney-general in the new government although he is still to win his parliamentary seat. The election for the seat he is contesting was postponed after the death of an opposing candidate.

The 11 newcomers will replace ministers who are either retiring from politics or retiring to the back-benches in some cases voluntarily. The Labor Party system has always in the past given its factions the right to elect people to the ministry, leaving the prime minister power only to allocate portfolios. But with his power significantly strengthened by a remarkable election victory, Keating has managed to do what no other Labor prime minister has done—select his own ministry by persuading or in some cases forcing the factions to accept his will.

One former minister, Peter Staples, who with the support of his left-wing faction refused to give up the ministerial position for which he was endorsed, was forced to stand down at Tuesday's special party-room meeting. The row has led to claims by some left wingers that Keating was abusing his newly-won authority and making a mockery of a claim by Keating that promotion

would be on merit alone. But government sources said Staples finally lost by only five votes, the tally being 56 votes for Keating [words indistinct] choice and 51 votes against after a bitter debate. Factional unity crumbled in the vote, with Staples gaining the support of members beyond his own Left faction.

By coincidence or otherwise, Keating was elected leader of the parliamentary Labor party on December 19, 1991, by the same margin and the same 56-51 vote.

Hewson, who has been lambasted during the last 10 days for an autocratic style, promised after winning his party-room ballot Tuesday to change his ways and to listen to his colleagues in the future. "You're going to see the same person, but I think you'll see one who listens a bit more to the party, is a bit more involved in party activities, one who gives a lot more weight to the party-room processes and to the organisation," he said.

Hewson Retains Liberal Party Leadership*BK2303041893 Melbourne Radio Australia in English
0300 GMT 23 Mar 93*

[Text] The leader of Australia's opposition coalition, John Hewson, has easily retained the leadership of the Liberal Party in a ballot of his parliamentary colleagues in Canberra. Mark Tamhane reports the leadership vote follows the opposition's surprise loss to the ruling Labor Party at national elections two weeks ago:

[Begin recording] [Tamhane] Dr. Hewson secured 47 votes in the party room ballot, with his main rival, former leader John Howard, gaining 30. The only other candidate—low-profile backbencher Bruce Reid—scored one vote. Shortly after winning the ballot, Dr. Hewson was asked if he would be changing his leadership style, which had been criticized by some Liberals.

[Hewson] Well, you are going to see the same person, but I think you will see one who listens a bit more to the party, a bit more involved in party activities, one who gives a lot more weight to the party room processes and to the organization.

[Tamhane] Dr. Hewson said the Liberal Party also had to broaden its support base in the community. Defeated challenger John Howard said he accepted the outcome of the ballot and would do everything possible to make sure Dr. Hewson was elected prime minister at the next election.

The Liberal Party has also chosen a new deputy leader—Victorian MP Dr. Michael Woolridge. The 36-year old Dr. Woolridge is a surprise choice from the moderate wing of the party. The Liberals' coalition partner, the National Party, have retained their leader, Tim Fischer, but have a new deputy—John Anderson from New South Wales. [end recording]

Meanwhile, parliamentary members of the ruling Labor Party have begun meeting to endorse a new ministry chosen by the prime minister, Paul Keating.

Reserve Bank Cuts Interest Rate to 5.25 Percent

*BK2303034893 Melbourne Radio Australia in English
0300 GMT 23 Mar 93*

[Text] Australia's central bank, the Reserve Bank, has cut the official interest rate by half a percent to 5.25 percent. It is the 14th cut since rates peaked at about 18 percent in early 1991. The Reserve Bank governor, Mr. Bernie Fraser, said the reduction came amid signs while the economy was improving, employment prospects were not. He said this made a further cut in interest rates appropriate as it would help to support economic recovery without adding to inflationary pressures.

Meanwhile, the building industry in Australia has welcomed the interest rate cut, saying it would ensure a continued recovery in the sector. A spokesperson for the Queensland Master Builders Association, Greg Quinn, said the cut would most benefit those involved in building for commercial uses. Mr. Quinn said the housing recovery would get a further boost if the cut flows on to mortgage rates.

Fiji's Help Sought for UN Military Training

*BK2203054493 Hong Kong AFP in English 0500 GMT
22 Mar 93*

[Text] Sydney, March 22 (AFP)—Australia has asked Fiji for help in establishing a special centre to train army officers from throughout the Pacific as part of efforts to improve United Nations peacekeeping contributions. Fiji has a long experience in U.N. peacekeeping operations, maintaining a battalion of about 700 troops with U.N. forces in Lebanon since 1978. The peacekeeping centre, to be based initially in Queensland, will also train senior non-commissioned officers.

Foreign Minister Gareth Evans on Monday [22 March] issued a formal invitation to regional nations to use the centre when it opens later this year. "At our national and regional levels, we can pursue increased peacekeeping operation effectiveness by improving military and police training in the principles and procedures for peacekeeping-type duties," Evans said. He told an Australian-sponsored conference on the future of U.N. peacekeeping that defence forces throughout the region should use existing defence programs to practice for peacekeeping duties. U.N. peacekeeping, he said, was at a crossroads, with increasing demands on the international body to resolve conflicts, but increasing strain on its peacekeeping systems.

Australia's army is developing a specific peacekeeping plan, to train its forces in duties such as dealing with foreign armies, local militias, civilians and working with the U.N. civilian bureaucracy. Defence sources said Australia hoped to draw on Scandinavian experience in training for peacekeeping roles, as well as Australian and Pacific troops with peacekeeping experience in places like Somalia, Namibia and Cambodia.

Evans said the U.N. needed to re-examine its peacekeeping role following massive changes in global politics. "The world is not a more peaceful place, and existing mechanisms at the international, regional and national level are simply not coping effectively with the post-Cold War challenges to security," he said.

Representatives from 33 nations, including the United States, Russia, Indonesia, France and Pacific countries, are attending the conference which runs until Wednesday.

New Zealand

Prime Minister Returns, Hints at Cabinet Shuffle

*BK2103064893 Hong Kong AFP in English 0632 GMT
21 Mar 93*

[Text] Wellington, March 21 (AFP)—New Zealand Prime Minister Jim Bolger flew home from an overseas trip Sunday [21 March] and hinted at a cabinet reshuffle to placate MPs angry about the government's poor standing in opinion polls. While Bolger was visiting Europe and Russia, MPs in his ruling National Party voiced discontent about the way he was running the government and the performance of key ministers. Bolger called an unusual press conference at his Wellington home Sunday and told reporters: "Some ministers will have to work harder." Asked whether he would reshuffle his cabinet, he replied: "It's possible."

Latest opinion polls have put the opposition Labour Party up to 18 percentage points ahead of National and the approval rating for Bolger's performance is only 8 per cent. A general election is due in November this year and National faces defeat unless it can dramatically improve its image.

A key issue which has angered MPs is that a new public health system due to begin on July 1 this year is unpopular with the public. The MPs have targeted Health Minister Simon Upton and Crown Health Enterprises Minister Paul East as main culprits for not explaining it properly.

Prime Minister Signs Russian Butter Export Accord

*BK2103065093 Hong Kong AFP in English 0440 GMT
21 Mar 93*

[Text] Wellington, March 21 (AFP)—New Zealand has signed a butter export deal with Russia worth 57 million New Zealand dollars (30 million US), the chairman of the Dairy Board, Dryden Spring, said Sunday [21 March]. Spring said in an interview with the New

Zealand Press Association that the agreement was finalised in Moscow last week when Prime Minister Jim Bolger visited Russia. "An opportunity was created by the prime minister's visit. I think he really had to be there to finalise the details. It was critical," Spring said.

Bolger announced Saturday that a deal had been reached between the board and the Russian government on repayment of 200 million dollars (106 million US) outstanding debt for previous exports.

